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ABSTRACT

An intensive study was conducted of areawide planning for the implementation of Title II A, B, and C (formerly Title I) of the Comprehensive Employment and Training Act (CETA), as performed by prime sponsors to meet the needs of their communities. The central objectives of the research were (1) to describe the planning systems that have emerged, (2) to relate the features of planning systems to contextual factors, and (3) to explore the links between these planning systems and program performance. Intensive field work was done in twelve prime sponsorships which were selected because they were reputed to take planning seriously. Results were compared on some questions with national averages and with observations in thirty other prime sponsorships in which intensive field work was done for previous studies. Three major models of planning were observed in the field work studies, as well as a group of exemplary approaches to critical elements of planning and management. The most general finding was that careful planning by prime sponsorship staff does have the potential for helping improve program performance. However, planning was found to be only one of a number of aspects of prime sponsorship management that needs to be handled well in order to achieve programmatic goals. Fortunately, these elements of management are highly manipulable at the local level, and non-manipulative elements of local context such as economic conditions do not create severe restraints on what can be achieved. (Observations and specific recommendations for improving prime sponsor activities are included for review and implementation.) (BM)

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Areawide Planning in CETA

R&D Monograph 74

U.S. Department of Labor
Ray Marshall, Secretary

Employment and Training Administration
Ernest G. Green
Assistant Secretary for Employment and Training
1979

This report was prepared by Randall B. Ripley and associates of The Ohio State University under Grant 21-39-75-10 from the Employment and Training Administration, U.S. Department of Labor, by authority of the Comprehensive Employment and Training Act of 1973. Researchers undertaking such projects are encouraged to express their own judgment. Their interpretations or viewpoints do not necessarily represent the official position or policy of the Department of Labor. The authors are solely responsible for the contents of this report.

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FOREWORD

This monograph focuses on the findings and results of an intensive study of areawide planning for the implementation of Title II A, B, and C (formerly Title I) of the Comprehensive Employment and Training Act (CETA), as performed by prime sponsors to meet the needs of their communities.

The most general finding of the report is that careful planning does have the potential for helping to improve program performance, but the report points out very clearly that many other aspects of prime sponsorship management need to be handled well in order to achieve programmatic goals. In Section IV, the report develops three models of planning that were observed in the field work studies, as well as a group of "exemplary approaches to critical elements of planning and management." Also in Section IV, a number of productive approaches to seven specific planning and management elements are described because of their favorable programmatic impact and their potential utility in additional prime sponsorships.

Observations and specific recommendations for improving prime sponsor activities are included for review and implementation.

HOWARD ROSEN
Director
Office of Research
and Development

PREFATORY NOTE

This is the last report in a series that focuses on planning for Title I of the Comprehensive Employment and Training Act of 1973 (Title II ABC of CETA as reauthorized in 1978) at the prime sponsorship level. The central objectives of the research have been to 1) describe Title I planning systems that have emerged; 2) relate the features of planning systems to contextual factors; and 3) explore the links between Title I planning systems and program performance.

This project has been supported by a grant from the Office of Research and Development of the Employment and Training Administration of the U.S. Department of Labor (No. 21-39-75-10) and by resources of the Mershon Center of Ohio State University. Additional support of various kinds has come from the Department of Political Science at Ohio State University, the Instruction and Research Computer Center at Ohio State, the Department of Government at Smith College (the home institution of Professor Donald Baumer, a project associate), and the Eagleton Institute of Politics at Rutgers University (the home institution of Professor Carl Van Horn, a project associate).

The Director, Associate Director, and Project Associates did field work in 12 prime sponsorships throughout the United States that were chosen to be illustrative of areas in which Title I planning is taken seriously and to be representative of different kinds of areas in terms of regional location, size of CETA program, type of prime sponsorship, and labor market conditions. The field work was done from March through August 1978. Detailed reports on six of the sites are included in a progress report dated June 30, 1978; similar reports on the other six sites are included in a progress report dated September 30, 1978.

The authorship of this report is genuinely collegial. Primary credit for the analysis in Section II belongs to Michael O'Loughlin, Marcia Slotnick, William Strangfeld, and Richard Wright. Primary credit for the analysis in Section III belongs to Grace Franklin and John Wichita. Franklin and Strangfeld are primarily responsible for the coordination between the two sections. Primary credit for the analysis in Section IV belongs to Donald Baumer and Carl Van Horn. The Director, Randall Ripley, takes final responsibility for the contents of the entire report.

We are grateful to a large number of individuals in the prime sponsorships we visited and also to a large number of ETA employees for their splendid cooperation. Many participated in long interviews. Others provided other kinds of essential data. Without such cooperation this research would have been impossible. We are also grateful to Professor Aage Clausen of Ohio State for his advice on the specific use of multiple regression techniques in Section III. Finally, we are very appreciative of the continuing support and work of Richard McAllister, our project officer in the Office of Research and Development and, in our opinion, the model of what a good project officer should be.

CONTENTS

Page

FOREWORD iii

PREFATORY NOTE v

LIST OF TABLES ix

LIST OF FIGURES x

SUMMARY xi

I. INTRODUCTION 1

A. Conceptual Framework 1
B. Data Base 4
C. Site Selection and Description 6
D. Organization of the Report 7

II. PLANNING SYSTEMS 9

A. The Nature of Planning 9
B. Models of Planning 11
C. Empirical Basis of the Models 14
D. The Effects of Context on the Nature of Planning . . . 18

III. EXPLAINING PROGRAM PERFORMANCE 31

A. Overview 31
B. Relationships Between Context and Performance 36
C. Relationships Between Management Variables and Performance 53
D. Relationships Between Planning Systems and Performance 58
E. Conclusions 66

IV. EXEMPLARY APPROACHES TO CRITICAL ELEMENTS OF PLANNING AND MANAGEMENT 69

A. Manpower Planning Councils 70
B. Monitoring and Evaluation 75
C. Universe of Need and Target Groups 81
D. Intake and Assessment Strategies 84
E. Labor Market Analysis 89
F. System Design: Service Deliverer Selection, Service Delivery Systems, and Performance Contracting 93
G. Participant Placement Strategies 100

7

Page

V. CONCLUSIONS 105

A. Major Findings 105
B. Observations and Implications 107

REFERENCES AND SELECTED BIBLIOGRAPHY 111

APPENDIX: BRIEF DESCRIPTIONS OF THE STUDY SITES 113

LIST OF TABLES

Page

1. Summary of the Comprehensive Employment and Training Act (CETA) of 1973 2

2. Information on Research Sites 8

3. A Summary of the Relations of General Context to the Nature of Planning Systems 23

4. A Summary of the Relations of Management Decision Variables to the Nature of Planning Systems 28

5. Bivariate Correlations between Quarterly Unemployment Rate and Performance Measures 38

6. Growth in Number of Jobs in the Local Economy, 1970-77, and CETA Placement Rates 41

7. Bivariate Relationships between Participant Characteristics and Performance Measures, 12 Prime Sponsors, for End of Fiscal Year Quarter 43

8. Bivariate Correlations between Program Mix Measures and Program Performance Measures for 12 Planning Sites, All Quarters except September 1974 and End of Fiscal Year (EOY) Quarters 47

9. Proportion of Variance Explained (R^2) When Seven Explanatory Factors are Regressed on Performance Measures 49

10. Bivariate Relationships between Management Variables and Performance for the 12 Planning Sites, and the Planning Sites Excluding Denver, On-Site Quarters 56

11. Standard Indicators of Performance for Planning Prime Sponsorships, June 1978 60

12. Indicators of Performance for Planning Prime Sponsorships, 3 Quarters in FY 78 61

13. A Comparison of FY 78 Performance for Planning Sites, by Model . . 63

14. Change in Performance Indicators, 6/76 to 6/78, for Planning Sites by Model, and U.S. Average 64

15. Comparisons of Planned vs. Actual Performance on Selected Indicators for 6/78 for the Planning Sites, by Model 65

LIST OF FIGURES

Page

1. Characteristics of Planning Models 12

2. Program Performance and Antecedent Conditions 32

SUMMARY

The report focuses on planning for Title I (now Title II A, B, and C) of CETA at the prime sponsorship level. Intensive field work was done in 12 prime sponsorships selected, in part, because they were reputed to take planning seriously. Results are compared on some questions with national averages and with observations in 30 other prime sponsorships in which intensive field work was done for previous studies.

The most general finding is that careful planning by prime sponsorship staff does, indeed, have the potential for helping improve program performance. At the same time, it is quite clear that planning is only one of a number of general aspects of prime sponsorship management that needs to be handled well in order to enhance the chances of achieving programmatic goals. Fortunately, these elements of management are highly manipulable at the local level. Also fortunately, non-manipulable elements of local context such as economic conditions do not create severe restraints on what can be achieved. In addition, there is solid evidence that prime sponsorships can target their resources on the most disadvantaged part of the eligible population as measured by gross demographic characteristics without diminishing their potential for good program performance.

MODELS OF PLANNING

Planning is treated as one potentially important structured intervention between contextual factors in a prime sponsorship and the results of programs. There are both more "technical" and more "political" aspects of planning. Both aspects are important and they interact with each other in influencing program results.

Three models of planning were developed on the basis of work in 12 prime sponsorships. A fourth model (no consistent attention to planning) is also implicit. The three empirically developed models in which planning is taken seriously (even though there are severe problems in one case) can be summarized briefly:

1. A crisis management model characterized by:
    a. Unstable relations among actors
    b. Unmanaged conflict
    c. Lack of routine
    d. Malfunctioning feedback system.
2. An operations management model characterized by:
    a. Stable relations among actors
    b. Well-managed conflict
    c. Many routine procedures
    d. Feedback mechanism in place and utilized.

3. A future oriented model characterized by:

   a. The four characteristics of the operations management model

   b. Deliberate attention to long-range decisions.

Both Operations Management and Future Oriented models are superior to No Consistent Planning and to Crisis Management models. But there is good empirical evidence that under different conditions either Operations Management or Future Oriented planning will be relatively the most productive. There is not one "correct" way to plan in all situations.

THE EFFECTS OF CONTEXT ON PLANNING SYSTEMS

General contextual factors (nature of local economy, nature of local population, program size, and organizational nature) are not determinative of what kind of planning systems emerge in individual prime sponsorships. Localities can design the kind of planning system they choose for programmatic reasons and are not forced into a specific planning mode by these external factors.

The general management context in a prime sponsorship is, however, related to the kind of planning system that seems most likely to emerge. This is probably because certain styles of planning fit best with certain styles of management; associational patterns were evident when future-oriented and operations management sites were compared (only one site has a crisis management system and we did not, of course, attempt to generalize from it).

In prime sponsorships with future-oriented planning systems, the associated management characteristics included a pattern of staff-dominated decision-making (with only limited influence sharing with other actors), a stable staff of high quality, stronger than average support for staff from political officials, thorough monitoring, and the active involvement of the private business sector.

In prime sponsorships with operations management planning systems, there was more likely to be less staff domination of decision-making (usually involving significant sharing of influence with service deliverers), more turnover in key staff, low involvement of business, and less well-developed monitoring systems.

EXPLAINING PROGRAM PERFORMANCE

In discussing program performance we used multiple measures. Some were observational and judgmental, based on qualitative data and impressions. We also used five quantitative measures, although we noted the shortcomings both of the data and of the measures themselves:

1. Overall placement rate (the number of participants entering employment divided by the number enrolled).

2. Placement efficiency (the number of participants indirectly placed divided by the number enrolled).

3. Nonpositive termination rate (the number of nonpositive terminations divided by the number of all terminations).

4. Cost per enrollee (total accrued expenditures divided by the number of enrollees).

12

5. Cost per placement (total accrued expenditures divided by the number of persons placed).

Management characteristics and planning both have stronger influence on performance than any contextual variables. We found no empirical support for the conventional wisdom that suggests that economic conditions and demographic characteristics of participants determine or at least highly constrain performance.

The factors most strongly associated with good performance were quality of staff, the nature and extent of business involvement, and the quality of monitoring. Other factors were also associated, but more moderately so.

EXEMPLARY APPROACHES TO CRITICAL ELEMENTS OF PLANNING AND MANAGEMENT

Because a variety of management and planning factors were found to affect program performance we spelled out in some detail specific instances of approaches to some key elements of planning and management we had observed to be working well. We found a number of productive approaches to seven specific planning and management elements we thought should be described because of their favorable programmatic impact and their potential utility in additional prime sponsorships. The elements on which we focused were:

1. Manpower planning councils
2. Monitoring and evaluation
3. Universe of need and target group identification
4. Intake and assessment strategies
5. Labor market analysis
6. System design (service delivery selection, delivery systems, performance contracting)
7. Participant placement strategies

I. INTRODUCTION

The Comprehensive Employment and Training Act of 1973 (CETA) represents a compromise form of special revenue-sharing or block grant enacted following 5 years of struggle between Congress and the Administration. (For excellent background on that struggle and on the various manpower programs preceding CETA see Advisory Commission on Intergovernmental Relations, 1977; Davidson, 1972; Levitan and Taggart, 1974; and Levitan and Zickler, 1974.) As a form of revenue-sharing, it embodies a substantial restructuring of most Federal manpower programs, mandating decentralization and decategorization. Responsibility for the transition to and operation of decentralized and decategorized programs is lodged firmly with local officials (and, to a lesser extent, with State officials) by the statute.

The statute and regulations are long and complicated. Table 1 summarizes the major provisions of the 1973 act as amended in 1974 and 1977. (The 1978 amendments are not included since our research dealt with the program as it existed under the provisions contained in Table 1.)

A number of assessments of CETA operations have appeared, some focused on specific aspects and some quite broad in character (for several broad assessments see Mirengoff and Rindler, 1978; Snedeker and Snedeker, 1978; and Van Horn, 1979). However, despite the presumed centrality of local planning in making CETA perform better than the pre-CETA categorical programs, little systematic attention has been given to planning. This report seeks to fill that gap.

A. CONCEPTUAL FRAMEWORK

The Comprehensive Employment and Training Act embodies the belief that local prime sponsors know best how and when to respond to what specific local conditions in order to achieve the general goals of the program. Nationally, there has been great variation among prime sponsorships in terms of types of conditions faced, the types of programmatic responses generated, and the results of the responses.

In an earlier study (Ripley and associates, 1978) we explored a number of management decision areas at the local level to ascertain how they were affected by local conditions and, critically, how they in turn affected local program performance. Our central research question in that study was: under what conditions do what management decision choices seem most likely to enhance desired program performance?

In the present study we focus on planning as a special aspect of management. We are interested in describing the types of planning systems that have emerged, in relating the features of those systems to contextual factors, and in exploring the links between planning systems and program performance.

Despite considerable literature, buttressed by rhetoric from both national and local sources, that asserts that planning is central to good performance in employment and training programs there is little empirical work that assesses the nature of planning that occurs and the impact of that planning on programs. This paucity of empirical research on planning and its consequences is especially ironic in the case of CETA since one of the explicit goals of CETA is "comprehensive programs" and one of its implicit goals is "comprehensive planning." The Act and the Department of Labor encourage comprehensiveness in both programs and

14

Table 1: SUMMARY OF THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT (CETA) OF 1973

The Comprehensive Employment and Training Act of 1973 (PL 93-203), as amended by the Emergency Jobs and Unemployment Assistance Act of 1974 (PL 93-567), by the Emergency Jobs Programs Extension Act of 1976 (PL 94-444), by the Comprehensive Employment and Training Act Amendments of 1977 (PL 95-44), and by the Youth Employment and Demonstration Projects Act of 1977 (PL 95-93) has eight titles:

Title I authorizes comprehensive manpower services for the unemployed, underemployed, and economically disadvantaged. Programs are administered by prime sponsors, which are cities and counties of 100,000 or more, and consortia. The State government is prime sponsor for the balance of state. Funds are allocated according to each area's prior year's apportionment, number of unemployed, and adults in low-income families. Prime sponsors must submit an acceptable plan to the Secretary of Labor, prepared in consultation with local advisory councils. A State manpower services council reviews local plans and arranges for the cooperation of State agencies.

Title II provides funds to prime sponsors and Indian reservations to hire the unemployed in areas of substantial unemployment for public service jobs. Funds are allotted on the basis of the number of unemployed.

Title III provides for nationally administered programs for Indians, migrant and seasonal farmworkers, youth, and other groups that are in particular need of such services. This title also gives the Secretary of Labor responsibility for research, evaluation, experimental and demonstration projects, labor market information, and job banks.

Title IV authorizes the Department of Labor to operate the Job Corps, residential training centers for disadvantaged young men and women.

Title V establishes a National Commission for Manpower Policy to identify goals, evaluate manpower development programs, and make recommendations to the President and to Congress. (The Emergency Jobs Programs Extension Act of 1976 establishes a separate National Commission on Employment and Unemployment Statistics.)

Title VI authorizes public service jobs for the unemployed. Funds are allocated to prime sponsors and Indian tribes, based on the number of unemployed, the unemployed in excess of a 4.5-percent rate, and the unemployed in areas of substantial unemployment. Under 1976 amendments, funds for the expanded Title VI program are in new short-duration projects and most new participants must be long-term, low-income unemployed or welfare recipients.

Title VII contains provisions applicable to all programs such as prohibitions against discrimination and political activity.

Title VIII establishes a Young Adult Conservation Corps to carry out projects on public lands.

Source: Committee on Evaluation of Employment and Training programs, CETA: Assessment and Recommendations (Washington: National Academy of Sciences, 1978), p.4.

planning by promoting consortia as one way of putting labor markets together. The Department of Labor also provides written materials to prime sponsors on "how to" plan. But the manpower literature offers only meager support for any prescriptions or on the effects of different ways of planning. Even more surprising, the literature does not even offer very rich descriptions of various methods of planning. Any specific analysis often assumes there is only one right way to plan.

The empirical literature on the first few years of CETA experience at the prime sponsorship level makes it clear that different planning systems do exist, that planning is difficult to generate at the local level, and that the consequences of different planning systems are not well known.

Our conception of planning is very broad. We harbor the simple notion that any planning system is set in a broad local context that directly affects both the nature of that system and program results. We also assume that, within broad limits related to the context, the nature of the planning system has the potential for affecting program results.

In a generic sense we regard planning as one potentially important structured intervention between the contextual factors in a prime sponsorship and the results of programs. Theoretically, "good" planning should result in improved program performance because it will help in the development of the most productive programmatic responses to contextual factors and/or it may help in altering those portions of the context that are susceptible to deliberate manipulation in the short run.

There are both more "technical" and more "political" aspects of planning. Some parts of planning are focused primarily on the technicalities of labor market information and programmatic response whereas other parts more broadly assess the needs of the community and the appropriate programmatic responses to those needs in broad, nontechnical, political terms. Our previous work on CETA leads us to believe that both the technical and political aspects of planning are important and that they interact with each other in influencing program results (see Ripley and associates, 1977, 1978).

The present research is set in the context of two previous projects we have completed. Between mid-1974 and mid-1976 we examined the implementation of CETA in 17 prime sponsorships in one large State (Ohio). We produced an elaborate map of those 17 experiences and the commonalities we observed in them. We also sought to explain those commonalities. (For the final report from that project, see Ripley and associates, 1977.)

In 1976 and 1977 we concentrated on a number of broadly defined aspects of prime sponsorship management and sought to link management decisions in those areas to program goal achievement in 15 prime sponsorships spread throughout the country, comparing the experience of the 15 with the 17 Ohio cases wherever possible. (For the final report from that project, see Ripley and associates, 1978.)

The earlier research provides us both with a number of empirically supported findings that are relevant to our present work and with two comparison groups of prime sponsorships against which our findings on planning can be "tested," at least intuitively. (There were only two cases of overlap in the three clusters of prime sponsorships used for these studies: two of the planning sites had also been visited in the management study.)

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B. DATA BASE

We systematically collected data on a number of different elements of the local context for planning, the nature of local planning, and program results in the 12 prime sponsorships in which we worked. The following list summarizes those elements:

I. LOCAL CONTEXT FOR PLANNING

A. HISTORY OF TITLE I PROGRAMS

1. CETA budget resources
2. Allocation of budget at local level
3. Distribution of participants among program components
4. Past program performance of prime sponsorship
5. Characteristics of persons enrolled and placed
6. Service deliverers
7. Degree, nature of change in the employment and training delivery system
8. Degree, nature of conflicts in the employment and training delivery system

B. LOCAL ECONOMIC CONDITIONS (LOCAL LABOR MARKET)

1. Characteristics of local labor force
2. Unemployment rate
3. Current employment opportunities
4. Projected employment opportunities
5. Nature of unemployment

C. DEMOGRAPHIC CONDITIONS IN PRIME SPONSORSHIP

1. Characteristics of general population
2. Characteristics of those most in need of manpower services

D. CHARACTERISTICS OF CETA STAFF

1. Administrative location of CETA units
2. Staff organization
3. Attitudes/commitments of staff
4. Professional qualifications of staff

E. CHARACTERISTICS OF PRIME SPONSORSHIP

1. Jurisdictional type
2. Local decision-making patterns

F. HISTORY OF TITLE I PLANNING

1. Staff attention to planning over time
2. Staff cooperation with other planning agencies
3. Change in planning over time

II. NATURE OF LOCAL PLANNING

A. STAFF CONCEPTION OF PLANNING

B. LOCAL GOALS OF THE CETA PROGRAM

C. TARGET GROUPS TO BE SERVED

D. BARRIERS TO EMPLOYMENT

E. IDENTIFYING JOB OPENINGS

F. PRESCRIBING A MIX OF SERVICES

G. SERVICE DELIVERERS' SELECTION

H. MONITORING AND EVALUATION PROCESSES

I. USE OF MONITORING AND EVALUATION

J. PUBLIC PLANNING PROCESS

K. STAFF TIES WITH OTHER PLANNING UNITS

L. SEPARATION/INTEGRATION OF PLANNING AND OPERATIONS

M. SEPARATION/INTEGRATION OF TITLE I PLANNING WITH OTHER CETA PLANNING

N. USE OF SOCIOECONOMIC DATA IN PLANNING

III. PROGRAM RESULTS

A. LOCAL GOAL ACHIEVEMENT

B. OCCUPATIONAL TRAINING AREAS

C. PARTICIPANT CHARACTERISTICS

1. All enrollees
2. All persons placed
3. Local significant segment groups

D. PROGRAM MIX

E. PROGRAMMATIC INTEGRATION

F. STANDARD PERFORMANCE MEASURES (PLACEMENT RATES AND COST)

G. QUALITY OF PLACEMENTS

H. NON-CETA LINKAGES

Data of four kinds were collected: 1) quantitative data such as that contained in prime sponsors' quarterly reports; 2) a wide variety of information contained in documents such as local plans, modifications, and public information releases; 3) perceptions, observations, and opinions of individuals involved in CETA systems at the local level; and 4) direct observation by the researchers of specific processes such as advisory council meetings.

We got the needed data in the first category from the national office of the Employment and Training Administration. We collected the data in the second category from the files of the 12 prime sponsorships.

Data in the third category were collected in over 400 interviews in the 12 prime sponsorships with individuals of eight kinds: 1) the director of the CETA staff and the chief planner; 2) other professional CETA staff members; 3) Employment Service officials who interact with CETA in planning; 4) other local planners who interact with CETA in planning (for example, planners for the chamber of commerce or a regional planning commission); 5) the most informed and active members of the advisory council; 6) the Federal representative for the prime sponsorship; 7) service deliverers; and 8) political officials.

Data in the fourth category came from observation of about 50 different meetings (staff meetings, planning staff meetings, advisory council meetings) in the 12 prime sponsorships.

C. SITE SELECTION AND DESCRIPTION

In choosing 12 sites for field work we wanted prime sponsorships that were at least reputed to take Title I planning seriously. We used three primary sources for arriving at an initial list of "nominees."

First, we contacted a number of people knowledgeable about planning in CETA to describe our project and ask for their nominations. These individuals included staff members of the National League of Cities-U.S. Conference of Mayors; the National Association of Counties; the National Manpower Commission; regional ETA offices; Institutional Grant universities; other research organizations that have studied aspects of CETA (the National Academy of Sciences, the Manpower Development Corporation, and IMPACT); and individual prime sponsors.

Second, we went through all of the published and unpublished literature on CETA in our files to look for possible sites.

Third, we reviewed our own files on 32 prime sponsorships in which we had done intensive field work.

From these "nominations" we chose a purposive sample that would maximize variation in 1) the type of prime sponsorship; 2) the general economic position of the prime sponsorship; 3) size of the prime sponsorship in terms of dollar allocations; and 4) geographic spread.

Type of Prime Sponsorship

For purposes of both planning and linking planning to operations, the major difference is between multiple jurisdiction prime sponsorships (consortia) and single jurisdiction prime sponsorships (cities and counties). Our sample of 12 included seven consortia and five single jurisdiction prime sponsorships.

General Economic Situation

We looked at two general aspects of economic situation: economic health as measured by unemployment and position in a labor market. Seven of our prime sponsorships had unemployment higher than the national average, with two of those seven being well above average. Five of our sites had unemployment lower than the national average, with two of those five being well below average. Our sites were about evenly split between those that dominate a labor market and those that are only part of a labor market.

Size of Program

We used the dollar amount of Fiscal Year 1978 Title I allocations (before consortium incentives) as an index of program size. Three of our prime sponsorships fell between \$7.8 million and \$13.8 million. Three fell between \$3.7 million and \$5.6 million. Three fell between \$2.8 million and \$3.0 million. And three fell between \$1.2 million and \$2.2 million. We excluded prime sponsorships with an allocation of less than \$1 million from consideration as sites.

Geographical dispersion

We had at least one site in 9 of the 10 Federal regions and had a second site in three of the larger regions. The only region in which no site was selected was Region V. This was the case for two reasons: First, none of our contacts nominated a prime sponsorship in this region for study; second, we knew 18 prime sponsorships in the region well already and could use them for purposes of comparison with our 12 sites on some points.

Sites Chosen

Our first twelve preferences all agreed to participate in the project. In each case we contacted the staff director and explained the nature of the project and the nature of the field work and solicited his or her cooperation. The field work was conducted in the following 12 prime sponsorships:

Penobscot Consortium, Maine
Syracuse, New York
Bergen County, New Jersey
Baltimore Consortium, Maryland
Atlanta, Georgia
Heartland Consortium, Florida
Gulf Coast Consortium, Texas
Albuquerque Consortium, New Mexico
Omaha Consortium, Nebraska
Denver, Colorado
San Francisco, California
King-Snohomish Consortium, Washington

Table 2 contains some summary information on these prime sponsorships. Appendix A contains a short description of some of the most important aspects of what we observed in each of the 12 prime sponsorships at the time we visited (indicated on Table 2). It should be underscored that some features in these 12 sites were no doubt different before we took our snapshot and have probably changed since.

D. ORGANIZATION OF THE REPORT

Three major analytical sections follow. The first focuses on planning systems, including the effects of local context on the nature of planning. The second focuses on explaining program performance. The third discusses exemplary approaches to critical elements of planning and management. A short concluding section offers some summary comments.

Table 2: INFORMATION ON RESEARCH SITES

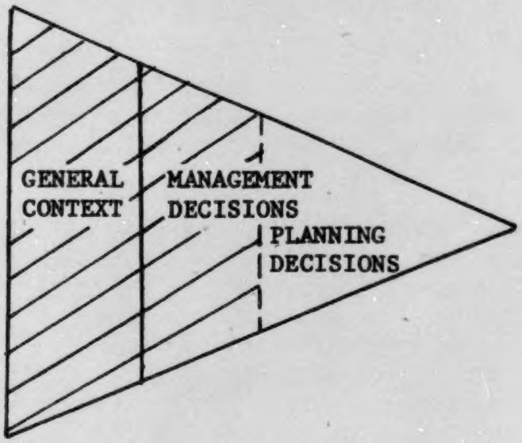
Name of Prime Sponsorship	Federal Region	Type of Prime Sponsorship	FY 78 Title I Allocation (without consortium incentive) (in $ millions)	June 1977 Unemployment Rate (Nat. average=7.5)	Period of Primary Field Visits in 1978
Penobscot Consortium, Maine	I	Consortium	1.21	7.6	Summer
Syracuse, New York	II	City	1.66	8.0	Summer
Bergen County, New Jersey	II	County	5.61	7.9	Spring
Baltimore Consortium, Maryland	III	Consortium	13.84	6.8	Summer
Atlanta, Georgia	IV	City	5.26	8.0	Spring
Heartland Consortium, Florida	IV	Consortium	2.90	8.8	Spring
Gulf Coast Consortium, Texas	VI	Consortium	2.17	4.8	Spring
Albuquerque Consortium, N.M.	VI	Consortium	2.78	8.4	Summer
Omaha Consortium, Nebraska	VII	Consortium	2.96	3.9	Summer
Denver, Colorado	VIII	City	3.68	6.9	Spring
San Francisco, California	IX	City	7.77	9.6	Spring
King-Snohomish Consortium, Wash.	X	Consortium	11.00	6.7	Summer

II. PLANNING SYSTEMS

The purpose of section II is three-fold. First, we will briefly discuss the nature of planning in general. Second, we will develop three models of planning systems. Third, we will elaborate on the empirical referents for those three models. Fourth, we will discuss the effect of context and management decisions on planning.

A. THE NATURE OF PLANNING

We view planning activities as a specific subset of general management activities. Thus planning decisions are a subset of general management decisions. The planning decision-making process is a special instance of general management decision-making. Both management and planning activities, decisions, and decision-making processes are set within a general context. The following figure suggests the inter-relationships between general context, management decisions, and planning decisions. The following points should be especially noted: (1) management decisions include planning decisions, (2) planning decisions are separable from management decisions for purposes of analysis, and (3) from the perspective of planning decisions, context--represented by the shaded area in the figure--consists of both general context and management decisions.



Planning decisions cover five major areas:

- -- identification and choice of local goals;
- -- identification and choice of participant target groups to be served;
- -- identification of target occupations for training and placement;
- -- identification and choice of program mix; and
- -- identification and selection of service deliverers who are to deliver the training and employment services.

These decision areas are defined broadly in each case, so that the service deliverer decision area, for example, includes not only such decisions as which deliverers to fund, but also of whether to use an RFP and whether to contract or operate services in-house.

We have limited what we mean by "planning" to that which is included in these five decision areas knowing that alternative definitions of planning are possible. Others, for example, have separated planning into strategic and operational components. The merit of the five decisions we have selected is that they exactly cover all of the basic choices that must be made to accomplish the goal any prime sponsor must address, namely (in the words of the statute) that of providing "job training and employment opportunities for economically disadvantaged, unemployed, or underemployed persons which will result in an increase in their earned income..." By clearly separating the five decisions that determine who is to be served, with what services, and for placement into which jobs, we can then examine the remainder of the program for influences on these decisions.

Conversely, if we were to define planning as extending over all management decisions, we would lose focus on the essential questions unique and basic to employment and training matters, and cross into what would become a wider study of program management. The concrete implementation of decisions, for example, is not considered in this analysis as part of planning itself, although implementation is without doubt closely related to planning and in fact often performed by the same staff.

Management decisions include all planning decisions, as well as other decisions necessary to organize, implement, and operate an employment and training program. Examples of management decisions include those categorized as planning decisions and other decisions such as arrangements to manage actual or potential conflict; choice of nature and use of monitoring and evaluation of programs; and the nature of staff relations with such key actors as political officials, advisory council members, and service deliverers. These management factors are important in considering planning because they form part of the context of planning decisions and thus may influence them.

General context consists of conditions external to the CETA program and generally not open to short-run change through the actions of the local program staff, although some of them may be manipulable in the long run. Examples of such factors are economic conditions, the history of employment and training programs in the locality, and the structure of local government. The general context is important insofar as it influences the nature of planning.

Our purpose, at the most general level, is to explain how and why prime sponsors plan. We began with the belief that the nature of prime sponsor planning is influenced by two factors: the general context and general management decisions. Testing this assumption led us to pose three central questions, which are discussed in sections that follow:

1. What major variations exist in the nature of planning decisions?

2. Which factors in the general context and in the set of management decisions are important influences on the nature of planning and which are not?

3. How do the important factors influence the nature of planning?

B. MODELS OF PLANNING

To associate contextual factors and management decision factors with differing methods of planning, we first analyzed the nature of planning in the twelve sites we studied.

Five dimensions of variation were utilized and applied to each of the five planning decision areas. Selection of each of these five variables was based on preliminary analysis that considered a wide array of planning system characteristics and selected those that occurred most frequently and with greatest significance.

Stability of relations among actors, the first dimension, was analyzed according to which actors participated in each decision; the extent and consistency of their influence; and the reasons for their influence. Overall stability across decision areas was also examined.

Conflict over planning decisions was similarly analyzed, considering not only the level of conflict but also how well conflict was managed and channeled to productive ends. We observed that most sites had declined in overall level of conflict when reports for FY 1978 were compared to reports for 1974 and 1975, when local decision-making patterns were being established. But there was some variation in 1978 too.

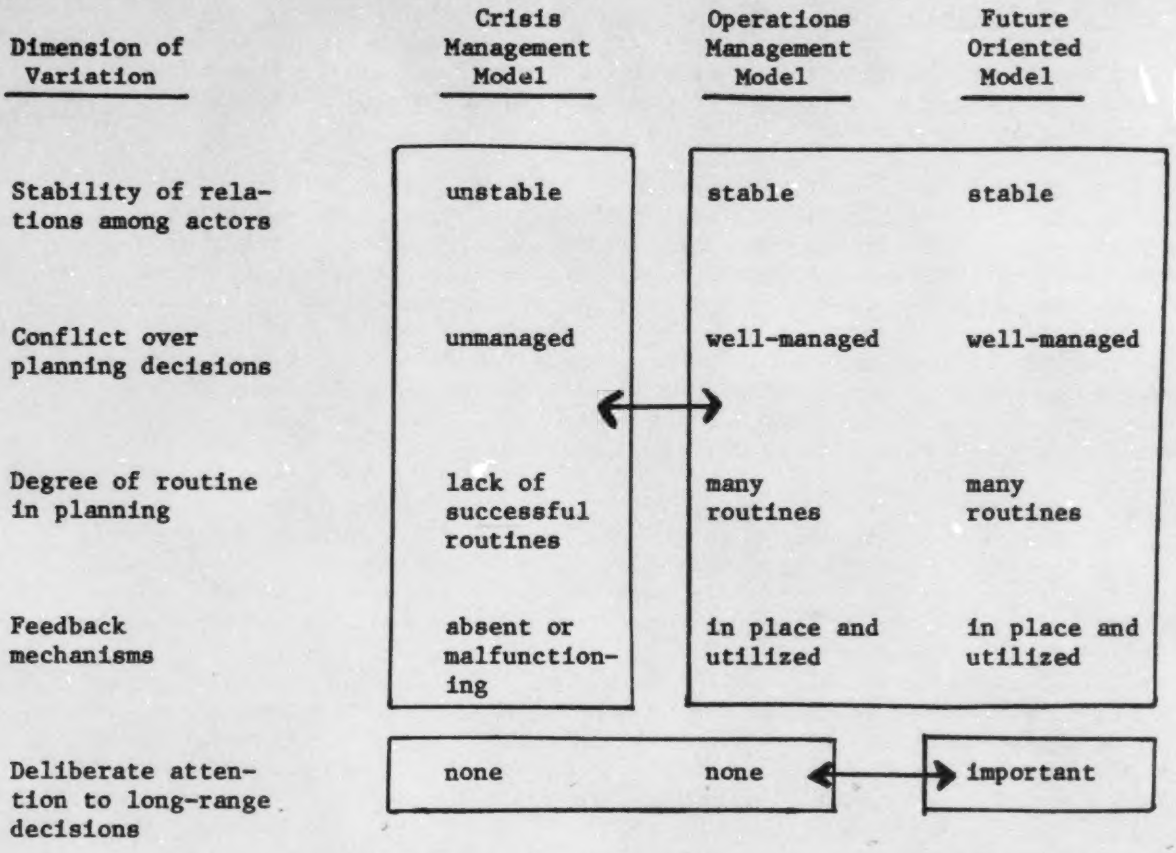
Degree of routine in planning is a summary measure that takes into account the presence of decision making routines and their success. Such routines included regular use of RFPs, substantial reliance on the advisory council, and the development and use of standard data analysis formats.

Feedback mechanisms were assessed along two lines: whether they were present and whether they worked. They were interpreted to include both hard (for example, MIS, formal evaluation) and soft (for example, reliance on informal reports from job developers) variations.

Deliberate attention to long-range decisions, the final dimension, was defined as decision-making that looked beyond the 1-year time span. To be assessed positively on this measure, a prime sponsor was required to display regular allocation of program resources to the function.

On the basis of the major variations we observed, we constructed three general models of planning systems. We labeled these three models Crisis Management planning, Operations Management planning, and Future Oriented planning. The broad relationships among these three models are summarized in Figure 1.

It should be noted that these models are derived from 12 prime sponsorships that were reputed to take planning seriously. In our other studies we have come across a number of sites in which planning is quite rudimentary and, in many important senses, nonexistent. Thus a fourth "model" is implicit: No Consistent Planning. However, since we are dealing with sites in which at least some consistent planning was observed to take place, we limit ourselves to discussing the contexts for and results of these three models. But we are not asserting that all prime sponsorships in the country necessarily fall into one of the three categories. At minimum, a number would fall into the No Consistent Planning category. Also, there may well be a higher proportion of Crisis Management prime sponsorships in the country than is indicated by our identification of only 1 of our 12 sites in that category. And there is



Dimension of Variation	Crisis Management Model	Operations Management Model	Future Oriented Model
Stability of relations among actors	unstable	stable	stable
Conflict over planning decisions	unmanaged	well-managed	well-managed
Degree of routine in planning	lack of successful routines	many routines	many routines
Feedback mechanisms	absent or malfunctioning	in place and utilized	in place and utilized
Deliberate attention to long-range decisions	none	none	important

Figure 1: CHARACTERISTICS OF PLANNING MODELS

probably a smaller proportion of Future Oriented sites than is indicated by our identification of 25% of our sites fitting that model. In short, we do not claim that the breakdown of our 12 sites reflects the breakdown among all 460 prime sponsorships. In fact we would guess that the proportion of No Consistent Planning sites is substantial, the proportion of Crisis Management sites is larger, and the proportion of Future Oriented sites is smaller. This would also mean a smaller proportion of Operations Management sites.

In the *Crisis Management* model the influence structure is highly unstable. Actor influence changes from moment to moment, and from decision to decision. Little trust and stability in communication are present. In addition, when conflict arises, which is often, it is unmanaged (that is, there are no routines established and accepted for conflict resolution). A critical characteristic of the Crisis Management system is the malfunctioning of the information feedback system. While good qualitative and quantitative information may in principle be available, without a feedback pipeline the information will not be utilized to make important decisions. In sum, the Crisis Management planning system is characterized by a reactive decision-making process that focuses, of necessity, on unpredictable problems, often organizational in character, that continually emerge from an unstable environment. No patterns of influence are established among actors, and a generally chaotic system seems to prevail. But, even in the midst of turmoil, planning is not abandoned. This fact creates a model of planning, instead of a model of non-planning.

In contrast, the *Operations Management* system is characterized by a stable and well-oiled influence structure in which actors recognize their own and other actors' influence positions. In addition, conflict is well managed (that is, routines for resolving conflict are established, accepted, and practiced). Planning activities, whether qualitative or quantitative, generate important information, organize it, and communicate it to the important decision-making actors. A feedback operation is in place and is utilized. Finally, the decision-making process focuses mainly on short-term performance with a time frame usually a year or less in length.

The *Future Oriented* planning model differs from the Operations Management model only in its deliberate attention to long-range decision areas. Future Oriented planning systems will not necessarily have any different or better monitoring systems. Both qualitative and quantitative information is gathered and fed back to important actors so as to improve ongoing programs in an incremental fashion. Yet, the Future Oriented system commits significant organizational time, energy, and capital, both human and financial, into the mapping of strategies for long-range goals covering a number of years in the future.

Implicit in the nature of our models is the judgment about what characterizes the quality of planning systems. Clearly, the Crisis Management model characterizes a system that all prime sponsors wish they could avoid. Unstable influence patterns, unmanaged conflict, and inoperative feedback processes are all marks of a system in chaos that can have little hope of fulfilling the goals of a CETA program. However, while prime sponsors would certainly rather be in an Operations Management or a Future Oriented system, it is not clear whether the Future Oriented model is necessarily preferable to the Operations Management model in all cases, contexts, and times. It may be that at a certain point in the prime sponsor's development most long-range goals have been sufficiently accomplished and the continued extension of organizational resources into an ongoing Future Oriented part of the staff may be inefficient. The prime sponsor may make the best use of resources by just focusing on ongoing programs within annual plans. This does not mean that at some future point it would not be efficient and important to add the features of Future Orientation to the existing accomplishments of the Operations Management model, hold the Future Orientation in place long enough to inject additional planned change into the system and institutionalize it, and then revert to the Operations Management of the now institutionalized gains. The latter two models in this interpretation would vary in preferability according to the needs and situation of the prime sponsorship.

There are not only one or two "good" sets of planned activities and ways of adapting to actor influence that should be applied across all prime sponsors, in all contexts. Some types of planning activities and some types of influence structures will be effective in some contexts while not in others. For example, a very sophisticated, highly quantitative monitoring system may be essential for good planning and decision-making in a large prime sponsorship with numerous service deliverers. Yet, in a much smaller prime sponsorship, one with only one or two service deliverers, a less rigorous monitoring system based largely on qualitative information may work quite well and resources may, in fact, be wasted on a more sophisticated system. However, if no monitoring system exists and there is no feedback to decision-makers on how well programs are operating, then a judgment can be made that the planning system is not functioning effectively. And to the extent that planning is important for good decision-making, then the decision-making process could also be judged to be poor.

C. EMPIRICAL BASIS OF THE MODELS

The three models we have described have been characterized by variations along five dimensions. These five dimensions represent and summarize variation along two lines: differences by site and differences by nature of planning activities. The differences we observed will first be discussed by site, illustrating the characteristics of sites that are grouped according to their placement in the models. Differences will next be discussed by nature of planning activities.

Differences Among Sites

Crisis Management. Denver was the only site of our 12 that, in our judgment, clearly had a crisis orientation. At one time it had had a system more like the Operations Management model but it slipped into the Crisis Management model as the system underwent significant change. There has been high turnover in the professional staff concurrent with expansion of both program and staff size. This led to substantial demands on remaining staff, leaving little time for planning. Planning under these conditions was reactive and involved the resolution of the problems of the day. Subcontractors view the Denver Employment and Training Administration with substantial distrust, and there is little coordination of the subcontractors in what is intended to be a highly organized program. Thus, when conflicts do arise, they are often unmanaged, and the influence struggles that ensue indicate that influence patterns are highly unstable. There has been no regular monitoring and/or evaluation of performance. Finally, key staff are striving to build a stable system in which there is a noncrisis atmosphere; they are aware of their problems and are working hard to correct them.

Operations Management. Eight of our sites fit the Operations Management planning model: San Francisco, Bergen County, Gulf Coast, Heartland, Atlanta, Omaha, King-Snohomish, and Albuquerque. Some sites clearly fit this model, others less so, and still others seem to be in a state of transition to one of the other models. However, all eight sites had enough characteristics in common that we were convinced that they all approximated this model.

San Francisco in some ways fits the Future Oriented model because it does acknowledge the importance of long-range planning. This concern, however, is more of an aspiration than reality. San Francisco, therefore, fits most closely into Operations Management. It could easily move into the Future Oriented model, given conditions that would facilitate such a shift (for example, more time for planning and a larger planning staff).

King-Snohomish, on the other hand, is in a state of flux that suggests movement toward the Crisis Management orientation becasue of some upheaval at key staff levels. The change in staff has resulted in the injection of some inexperienced actors into the planning process, which presented some problems but thus far has not threatened the viability of the system in place. Relations between key actors (service deliverers and staff) have historically been stable and remain reasonably so. Feedback has been provided, both for service deliverers and staff, by monitoring, and by continually developing the MIS. Conflict has been controlled by a strategy of incremental program changes and an elaborate decision-making process. In sum, although the consortium is experiencing some problems, the system has not become simply reactive to the problems of the day, but continues to perform in a manner best characterized by Operations Management.

Other sites more clearly fall into the Operations Management model although the methods for achieving similar end results differ. For example, Omaha has a relatively sophisticated (in terms of use of quantitative data) monitoring system. In contrast, the Gulf Coast consortium does not have a rigorous monitoring system, nor does it appear to be necessary at that site; staff members are in frequent contact with service deliverers and handle most problems informally before formal monitoring visits are made. In Atlanta, monitoring is a routine, rigorously systematic operation. Bergen County, Heartland, and Albuquerque monitor in other similar ways. All sites in this cluster, however, do provide feedback to service deliverers and staff (and other actors if relevant) so that adjustments can be made. In all cases it appears that, whatever the form of the monitoring procedure, good monitoring is essential to the Operations Management model.

Conflict, when it occurs, is well managed in most Operations Management sites by careful planning by prime sponsor staff. The desire to manage conflict is frequently among the commitments of other key actors. In addition, all actors recognize their own influence position and accept some basic rules for conflict resolution. In San Francisco, for example, conflict emerges occasionally when service deliverer selection is being pursued; staff carefully builds its case based on quantitative data that give legitimacy to staff positions and can facilitate resolutions of conflicts. In Gulf Coast, the prime sponsor staff presents a "business like image" that seems to put the agency "above politics," and hence, probably minimizes conflictual situations. Conflict is managed in Heartland by anticipatory decision-making coupled with the administrative and political skills of the employment and training director. Other sites structure their planning systems to minimize the potential for conflict.

In all eight sites, critical actors, although they may vary in numbers and types, have established relatively stable techniques for interaction with one another, and various routines for decision-making have been worked out. Although there are some interruptions in these processes, there is relative stability in the decision-making system (including the planning process). The focus, in all eight sites, is on improvement of the system by making incremental adjustments. The primary emphasis is on short-term planning with, perhaps, occasional attention to a longer range future, although no regular and systematic attention is paid to it.

Future Oriented. Baltimore, Penobscot, and Syracuse are most appropriately characterized by the Future Oriented model. They all manifest the characteristics of the Operations Management model, but they also are regularly concerned with issues that go beyond the 1-year time span. Baltimore expresses its concern with the future by maintaining a highly stable Operations Management system in a climate of awareness of the long-range effects of short-term decisions; an example of this concern is the establishment of the Labor Market Advisory Councils (which are representative of the private business community and could have long-term impact). The Penobscot Consortium consciously pursued long range goals when it made the decision to redirect the efforts of the employment and training system, and most actors continue to articulate long-range goals as critical to the planning operation. In Syracuse, some staff members are assigned the responsibility of dealing with long-range concerns; the regular attention to economic issues is a key example. In all three cases, there are highly stable relations between critical actors who perform their responsibilities in a routinized, and, perhaps more importantly, accepted manner. Planning is closely linked with operations (although operationalized somewhat differently in Penobscot where the major portions of the program are run in-house). These characteristics have effectuated an environment characterized by low conflict between actors, and therefore, the freedom to engage in future oriented concerns.

Generalizability to Other Sites. Given the purposive nature of our site selection (described in Section I) it was not unexpected that most of the sites cluster within one model. The quality, details, and functioning of the planning systems we observed varied a good deal, however. Thus, to reiterate a point made earlier, we do not claim that our three models are necessarily exhaustive. On the other hand, not only do they fit the observations at our 12 sites but they are also intuitively pleasing when placed in an unsystematic way against our experience in the 32 sites visited previously.

Differences in the Nature of Planning

We examined multiple dimensions of the nature of planning at each site. These dimensions can be broadly separated into two classifications. First, we examined differences in actors participating in planning decisions. Second, we analyzed the group of factors describing the manner in which each of the five decisions is made.

In assessing the influence of actors we relied on the judgments of two-person teams that spent 2 weeks in each of the 12 sites conducting a large number of interviews, observing meetings, and collecting documentary data. We attempted to identify actors that had either a high degree of influence or a medium degree of influence. The residual category was little or no influence. Reasons for influence included (1) control over funds for services, (2) access to generating political support from an identifiable constituency, (3) control over or special access to information, (4) access to special forums such as the advisory council where pressure could be brought to bear on other actors, (5) strong interest in and commitment to achieving a specific decision, (6) personal skill at bargaining, (7) default (no one else was much interested), and (8) control over a prior decision that pre-determined the outcome of a succeeding decision or decisions. When differences in findings from this analysis are summarized, the results lead to judgments on the first dimension of the planning models, stability of relations among actors.

In the second section we look at five decision areas: local goals, target groups, target occupations, program mix, and service deliverers. In commenting on each area for decision we have considered a number of characteristics of activity in that area: (1) degree of openness in the process, (2) the use of socioeconomic data, (3) the use of monitoring and evaluation data, (4) the use of political considerations, (5) the formality of the processes used, (6) the degree of conflict present, and (7) the degree of change in programs. These factors, when collapsed across the five decision areas into summary measures, lead to ratings on the degree of routine, use of feedback, conflict management, and long-range planning dimensions of the planning models.

Influence Structure Patterns. It is worth noting that, in general, the only actors actively engaged in the planning process at any site were prime sponsor staff, service deliverers, advisory councils, and political officials. These actors were present or absent in different configurations and with different strength in different locations and different decision areas. This generalization underscores the local nature of decision-making. In only one case was the employment service important in making any planning decisions and in no cases were representatives of the Employment and Training Administration important.

We found, as we expected, that staff actors were generally most important, usually because of their control over information. Important variation existed. In the Crisis Management site, staff members were significantly less dominant than in other sites and service deliverers were very important. At the other extreme, staff members were active in all five decision areas in those sites we termed Future Oriented sites, and very seldom shared their influence with other actors. Service Deliverer influence, in addition to staff influence, was common in sites that we called Operations Management sites, where it clustered most significantly about the Service Deliverer Selection and Program Mix decision areas. Advisory council influence was found most frequently on the selection of target occupations and on selection of service deliverers, although the type and level of council influence did not strongly associate with other factors. Political official influence appeared in some areas but was not frequent. It should be noted that the infrequent participation of political officials in decision making may mask the greater indirect influence these officials actually may have because of anticipatory decision making by the staff.

Planning Decision Areas. In the Local Goals area, we found a closed process in which staff based goals on value judgments with little use of data. Although there were variations on this pattern, they were not as numerous as variations in other decision areas. Future Oriented sites tended to have more specific long run goals, although they were not usually formally stated.

The Target Group decision was most commonly the focus of attention by staff, service deliverers, and advisory council members, who made high use of socioeconomic and monitoring/evaluation data. Seven of 12 sites shared a pattern of use of political considerations, service deliverer participation, use of formal process, and low use of monitoring/evaluation data (only one of these is a Future-Oriented site). This pattern suggests that the Target Group decision, because it directly affects allocation of resources, is next most controversial after the Service Deliverer Selection decision, and therefore receives serious consideration.

The Target Occupation decision was treated at most sites as a technical one. Little non-staff participation was noted. Data were highly used. Substantial change in methods over time was noted, with change in three of the sites involving systematic introduction of business representatives into the decision. Two of these three were Future Oriented sites.

The Program Mix decision split into two fairly clear patterns: one in which it was derived from other decisions and made with input from service delivery agencies, and another in which staff decided the issue and applied it to the Service Deliverer Selection decision. The first pattern was more frequent, with the second appearing in the three sites we labeled Future Oriented.

The Service Deliverer Selection decision likewise displayed two patterns: three sites selected deliverers with low use of political data and a closed decision making process (the Future Oriented sites) while a majority of the others used political considerations in more open systems with high influence of service deliverers and advisory council members.

D. THE EFFECTS OF CONTEXT ON THE NATURE OF PLANNING

Why do prime sponsors plan as they do and not in some other way? Do prime sponsors have the flexibility to choose how they plan their programs, or is the nature of planning largely imposed by contextual conditions? Insight into these issues requires an examination of how context affects what gets planned and how it is planned. That is the purpose of this section.

Complexity must characterize any investigation of the effects of context on the nature of planning because of two factors: the large number of possible contextual influences and the interrelationships among them. The first point is obvious. An illustration will clarify the second. The nature of the local economy and the quality of program staff are both contextual factors. Each may influence the nature of planning. Under certain conditions these two may cancel each other, leaving no net effect on planning. The net effect, however, is all that is apparent to the observer. Separating the interaction between the constraining effect of the economy and the facilitating effect of the good staff is not readily possible. Fortunately, the effect of any one factor is not of primary interest. We are, instead, concerned with identifying the pattern of contextual characteristics within which "good" planning is found, and examining them in order to determine the feasibility of making interventions that extend "good" planning to greater numbers of sites.

Investigation must therefore accomplish two tasks. It must select the most important from among many potential influences. Second, it must consider their net impact on the nature of the planning system and explore how this impact is exerted.

Selection of Contextual Variables

We have defined the context for planning in an earlier section of this report. It will be remembered that the environment for five decisions that compose planning consists of two elements: general context and management decisions. The general context consists of conditions external to the program and not generally open to short-run change. Management decisions, because they determine the general climate within which the program is operated, are the second half of the environment for planning. This distinction is useful because factors in the general context are on the whole less subject to manipulation than management decisions. Selection of indicators to represent each of these elements was based on three principles. First, we examined factors that had been identified in previous research. Second, we analyzed factors that were mentioned during our site work with sufficient frequency to suggest their potential importance. Third, we have included some indicators to test the validity of certain operating assumptions offered to us by manpower practitioners. We are interested in each variable to the degree that it affected the nature of the planning system. (The effect of context on performance is examined separately in a later section.)

General Context--Elements

Four groups of indicators (nature of local economy, nature of local population, program size, and organizational nature) comprise those selected to indicate the general context. The nature of the local economy, a factor clearly beyond the immediate control of the program staff, is measured by three variables. The first of these is the local unemployment rate. To minimize the effects of variations over time, an average rate over five selected quarters (6-75 through 9-77) has been used. Note has been made of which sites are Future Oriented (FO) and Crisis Management (CM) sites. Where no such note is attached, the site is an Operations Management site. As will be apparent, no strong pattern of association in this and other general context variables between the variable and the type of site emerges. In the present case, Future Oriented and Crisis Management sites are distributed over much of the range of unemployment rates.

12 STUDY SITES ORDERED BY AVERAGE
UNEMPLOYMENT RATE OVER 5 QUARTERS
(6-75 through 9-77)

	Gulf Coast	4.3
	Omaha	6.4
CM	Denver	7.4
	U.S. AVERAGE	7.8
FO	Penobscot	7.8
FO	Baltimore	7.9
	Albuquerque	8.3
	Bergen County	8.6
	King-Snohomish	9.0
	Heartland	9.4
FO	Syracuse	9.4
	Atlanta	10.7
	San Francisco	10.7

Growth in the local economy is the second indicator representing the nature of the local economy. Figures were derived from reports of the Bureau of Labor Statistics. They represent ratios of the number of jobs present in 1977 to the same number in 1970. Data for two sites (Penobscot and Heartland) were not available.

10 STUDY SITES ORDERED BY GROWTH IN NUMBER OF JOBS IN THE LOCAL ECONOMY
1970--1977

	Gulf Coast	45%
	Albuquerque	43%
CM	Denver	30%
	Atlanta	20%
	King-Snohomish	16%
	Omaha	16%
	San Francisco	10%
FO	Syracuse	8%
FO	Baltimore	7%
	Bergen	0%

It is interesting to note that the two Future Oriented sites and San Francisco, the Operations Management site closest to Future Oriented status, had low growth rates; while Denver and King-Snohomish, the Crisis Management site and the Operations Management site most similar to it, enjoyed relatively high rates of growth, a counter-intuitive pattern.

Simple aggregate measures of the number of jobs in an economy may mask influences that arise from the distribution of those jobs across various occupational sectors. To examine this possible contextual influence on the nature of planning, we obtained information from the BLS Employment and Earnings reports on the proportion of workers in local labor market areas who were employed in service occupations. (Service occupations were selected as an indicator for distribution of jobs because placement of CETA participants into these is typically less difficult than placement into other sectors.) Data were missing for Penobscot and Heartland.

10 STUDY SITES ORDERED BY % WORKERS IN SERVICE OCCUPATIONS (1975)

	Albuquerque	24
FO	Baltimore	22
	San Francisco	22
FO	Syracuse	20
CM	Denver	19
	King-Snohomish	18
	Atlanta	18
	Omaha	17
	Bergen	17
	Gulf Coast	12

It is clear that the range of variation is neither wide nor indicative of important relationships between distribution of jobs and nature of planning.

The nature of the local population is clearly a potentially important contextual factor. Concentration of disadvantaged individuals in a prime sponsorship is, unfortunately, a factor without a thoroughly reliable indicator. Use of 1970 Census data must be rejected because of the remoteness of the observations and the known forces that have modified both size and relative conditions of populations since then. The local unemployment rate offers some approximation of the nature of the local population that the program must serve. Although basically unsatisfying, this substitute does, when high, suggest that the sponsorship must serve both cyclically and structurally unemployed persons, and when low, that it must respond to the dominant presence of the structurally unemployed. We reference it to supplement our chief indicator of the nature of the population as a factor in the general context. This variable is the proportion of applicants at Employment Service offices who were economically disadvantaged for the period ending 9-77, as reported through the ESARS system. This indicator does have the shortcoming of not estimating the incidence of the characteristic for all persons in the jurisdiction, but does estimate it for a significant portion of the universe of need. Data were missing for four sites (Atlanta, Gulf Coast, Heartland, and Denver). Those for the other eight are reported on Table 3.

The size of the program is clearly an element of the general context because it is determined by a formula that is beyond the influence of local staff. (We consider such optional programs as YIEPP and STIP separately in a later section.) Choosing FY 1978 Title I allocations as the indicator of size, and representing these in millions of dollars, we note that sites ranged in size from very large to very small, and that sites in any particular model of planning are not characterized by their size.

12 STUDY SITES ORDERED BY SIZE OF
FY 1978 Title I ALLOCATION (in millions of $)

FO	Baltimore	15.22
	King-Snohomish	12.10
	San Francisco	7.77
	Bergen County	5.61
	Atlanta	5.26
CM	Denver	3.68
	Omaha	3.26
	Heartland	3.19
	Albuquerque	3.06
	Gulf Coast	2.17
FO	Syracuse	1.66
FO	Penobscot	1.33

Organizational characteristics may be important in both the general context and in management decisions as context. Two elements that, because they are beyond the power of staff to influence in the short run, are elements of the general context are 1) whether the sponsorship is a member of a consortium, and 2) its organizational location. Type of sponsorship has potential importance because of the complications introduced in a consortium by the presence of extra actors and priorities. Type of organizational location may become important to the extent that the parent body imposes constraints on the operation of the CETA program. Organizations outside city government, for example, frequently are free from constraints imposed on sponsors located within governmental structures. These latter often must abide by civil service requirements, purchasing procedures, and the involvement of city councils or other elected officials. Two tables are therefore presented to summarize the status of each sponsorship on these dimensions.

12 STUDY SITES BY TYPE OF SPONSORSHIP (FY 1978)

	CONSORTIA		SINGLE UNIT
	Albuquerque		Atlanta
FO	Baltimore		Bergen County
	Gulf Coast*	CM	Denver***
	Heartland		San Francisco
	King-Snohomish	FO	Syracuse
	Omaha		
FO	Penobscot*		

* Split from Balance of State Sponsorship after FY 1975.

*** Consortium dissolved after FY 1975.

ORGANIZATIONAL LOCATION OF ADMINISTRATIVE UNITS OF 12 STUDY SITES IN FY 1978

	City or County Office		Consortium Executive Board	Community Action Program
	Albuquerque		Gulf Coast	Bergen County
	Atlanta		King-Snohomish	
FO	Baltimore	FO	Penobscot	
CM	Denver			
	Heartland			
	Omaha			
	San Francisco			
FO	Syracuse			

It is apparent that status as a Future Oriented or Operations Management site is not strongly associated with consortium membership. Likewise, the organizational location of a sponsorship has not displayed clear relationship to the type of planning conducted at the site.

General Context--Effects

Table 3 arrays the factors of the general context by site, and clusters sites by models of planning. The most important conclusion that emerges from inspection of this table is that to the extent that the identified variables accurately summarize the important elements of the general context that might affect the nature of planning, these effects are minimal. An almost random pattern characterizes the distribution of these elements in the twelve sites, with one exception. All three Future Oriented sites received low ratings on the measure of economic growth. All three were lower than all other sites except for Bergen County. This puzzling pattern suggests that a relationship exists between low growth and the nature of planning. Such relationship might exist if local concern over limited growth stimulated active responses from CETA and other local programs, responses not called forth in other sites more comfortable with their growth rates. Interviews at one site inconclusively supported

Table 3: A SUMMARY OF THE RELATION OF GENERAL CONTEXT TO THE NATURE OF PLANNING SYSTEMS

	1. Unemp. Rate	2. % Growth	3. % Service Jobs	4. % Econ. Disadv.	5. Size (million $)	6. Type C=cons. S=single unit	7. Org. Loc. G=govt. B=board N=non-profit
Future Oriented							
Baltimore	7.9	7	22	40	15.22	C	G
Penobscot	7.8	MD	MD	36	1.33	C	B
Syracuse	9.4	8	20	31	1.66	S	G
Operations Management							
Albuquerque	8.3	43	24	54	3.06	C	G
Atlanta	10.7	20	18	MD	5.26	S	G
Bergen	8.6	0	17	13	5.61	S	N
Gulf Coast	4.3	45	12	MD	2.17	C	B
Heartland	9.4	MD	MD	MD	3.19	C	G
King-Snohomish	9.0	16	18	41	12.10	C	B
Omaha	6.4	16	17	42	3.26	C	G
San Francisco	10.7	10	22	58	7.77	S	G
Crisis Management							
Denver	7.4	30	19	MD	3.68	S	G

this possibility. However, in the absence of stronger evidence the pattern must be simply noted as an exception to the dominant finding that none of the models are strongly associated with a pattern of variables in the general context. We note that Operations Management sites cover the range of unemployment rates, include high and low growth sites, are not necessarily large or small, may be in a consortium but are not always, occur in populations that vary in degree of economic disadvantage, and have varying organizational locations. We are cautious of making inferences about the association of the Crisis Management model with factors in the general context because only one site provides observations and these do not conclusively establish a pattern. We do observe, however, that the characteristics of Denver are not distinguishable from those of the eight Operations Management sites.

Management Decisions as Context--Elements

We next examine the importance of another aspect of context, that of the effect of general management decisions on the shape and nature of planning. Four important groups of indicators were selected. The first provides an estimate of the importance of staff in shaping the nature of planning by considering two variables, the quality of key staff and the presence of discontinuities in key staff tenure. The second takes into consideration the nature of relations between the staff and other actors. Important groups considered are political officials, service delivery contractors, advisory councils, and business representatives. The third considers some measures of the nature of data obtained for use in decisions, centering on the quality and extent of monitoring and evaluation information. Finally, we assess the extent to which optional program activity has influenced the nature of planning.

The ability of staff may be among the most important of all contextual variables. However, it is a difficult matter to measure or even assign to nominal categories. Two approaches were used in recognition of this. First, field teams estimated average quality of key staff on the basis of observations and the judgments of interviewees. Second, turnover in key staff was tabulated. The results of the assessment in no case led to a site receiving lower than a medium-high judgment on quality of key staff. Those sites receiving high ratings were:

- Future Oriented
  - Baltimore
  - Penobscot
  - Syracuse

- Operations Management
  - Bergen County
  - Omaha
  - San Francisco

This classification is applied with caution, not only because of the estimation problem, but also because of questions possible about causation: did a good site highlight the abilities of staff and did a difficult site tend to obscure them? The second issue, it can be noted, is partially cancelled by utilization of the judgments of on-site observers.

Discontinuities seemed highly important in the judgment of our site teams. The sole Crisis Management site (Denver) had experienced no less than four different directors during its life, as well as much change at lower staff levels. King-Snohomish likewise had suffered major disruption from change in administration, director, and upper level staff, and was the Operations Management site that displayed some characteristics resembling those of Crisis Management. Albuquerque, however, had changed directors with less disruption.

The second major group of management variables covers the nature of the relations of staff members with other actors. Actor types most commonly having influence on planning decisions in our twelve sites were staff members, political officials, service deliverers, and advisory council members. The patterns in which these actors participated in planning decisions were tabulated by assessing the influence of each actor type on each of four decision areas (target groups, target occupations, program mix, service deliverer selection) at each site. Separating actors with high and medium influence and summing the number of decision areas on which they had high or medium influence results in an approximation of the influence pattern. The findings are judged to represent adequately the approximate relative influence exerted by service delivery contractors and advisory council members. They do not,

NUMBER OF DECISION AREAS IN WHICH ACTOR HAD
HIGH OR MEDIUM PARTICIPATION 1/

	Political Officials	Staff Members	Service Deliverers	Advisory Council
Future Oriented				
Baltimore	--	4	1	2/
Penobscot	--	4	--	1
Syracuse	--	4	--	3
Operations Management				
Albuquerque	--	4	4	3
Atlanta	1	4	4	3
Bergen	--	4	3	3
Gulf Coast	1	4	3	--
Heartland	2	4	1	3
King-Snohomish	--	3	4	3
Omaha	--	4	--	--
San Francisco	1	4	4	3
Crisis Management				
Denver	--	2	4	1

1/Maximum score is 4 if actor had influence on target group, target occupation, program mix, and service deliverer decisions. Local goal decision was not included in the analysis because it typically is made by staff only.

2/Labor Market Advisory Councils were, however, important participants in Baltimore decision making.

however, assess the participation of business representatives in decision making because these actors do not participate in the same fashion as the others do. The summary table is also judged to capture inadequately the importance of political officials because the influence of these actors may be more often exerted through anticipatory decision making by staff than by direct participation of the elected officials. Thus the table must be supplemented with further measures for these actors.

Business involvement was the subject of specific inquiry by our field teams, who sought to determine which sites went beyond nominal appointment of business representatives to the advisory council and involved the private sector in either program operations or program planning. Those that were judged to have high business involvement were the three Future Oriented sites: Baltimore, Penobscot, and Syracuse. Omaha and Denver were judged to have medium involvement, chiefly because their programs included private-for profit service deliverers. The others had either minimal ties or no direct ties.

As mentioned, the influence of political officials on Title I decisions is underestimated when only their direct participation in decision making is measured. In Atlanta, for example, the Mayor intervened in these decisions--according to those we interviewed--only three times since Title I began. To assume because his participation was in this sense limited that his influence was also limited would be to ignore that staff members make their decisions with awareness of the Mayor's needs and interests. They anticipate the Mayor's priorities and thus spare him the necessity of directly intervening. Partially as a consequence, they also enjoy his support for their decisions. Conversely, the lack of such political support may be expected to inhibit attempts by staff members to challenge the status quo. It is therefore appropriate to estimate which sites had direct access to their political superiors in ways that suggested the presence of higher than average political support for the Title I program. The following observations were reported by field teams:

Albuquerque--	Current Mayor formerly directed Comprehensive Manpower Program.
Atlanta--	Mayor active as spokesperson for the disadvantaged, and in U.S. Conference of Mayors. CETA director active in Mayor's campaign while on leave of absence from program.
Baltimore--	Mayor strongly supported positions taken by staff.
Denver--	Former CETA director is now special assistant to Mayor for economic development programs. (He left to go into private law practice at the end of 1978.)
Heartland--	County Commissioner very active in CETA decisions.
Omaha--	CETA director was temporary head of Omaha Office of Management and Budget.
Penobscot--	County Commissioners strongly support CETA Executive Director.
Syracuse--	Mayor formerly president of U.S. Conference of Mayors and very supportive of local CETA efforts.

In our summary table (Table 4) we have indicated the presence of greater than average political support with a positive (+) sign and the presence of only average levels with a neutral (0) sign. We note that our present findings support our earlier findings (Ripley and Associates, 1977) that political officials tend to be much more involved in PSE than in Title I decisions. Although our present analysis does not assess political officials' interest in PSE decisions, it does demonstrate their infrequent participation in Title I decisions, relative to other actors. We would, however, modify the finding of the earlier study that most officials believe the CETA programs cannot benefit them but may be potentially damaging and that they therefore encourage staff to function independently only so long as they do not foster any noticeable controversy by noting that in all of the Future Oriented sites and in some of the Operations Management sites, political officials have been willing to accept some controversy as the price of progress from the status quo to a more desired state.

Many different kinds of data were used in planning by the prime sponsors we observed. To some extent, the use of data was associated with the ability of staff to dig it out, and is therefore represented by the variable estimating quality of staff. This tends to be especially true of "soft" data, those that are obtained by feedback through unofficial channels. There is in addition one kind of data that we feel to be essential to making informed planning decisions and that is available only if a management decision has devoted resources to gathering it: monitoring data. We therefore determined the extent to which sites were able to collect these data, and the quality of the information they gathered. The results are included in Table 4. We also assessed the extent and quality of evaluations in like manner, but do not include that analysis because it demonstrated that most sites attach far less importance to evaluation than to monitoring.

Optional program activity, the final management decision we considered as a possible contextual variable, was defined as successful competition by a prime sponsorship for one of the grants awarded by DOL on other than formula allocation basis. We considered three possibilities because of the substantial work involved in preparing the applications and administering the grants, and because they were current at the time of our study: STIP, YIEPP Tier I, and YIEPP Tier II. Our interest was in both the possible direct effect of the grant in overloading staff with work and perhaps more importantly in the grants as representative of the general tendency of the sponsorship to undertake optional activity and devote sufficient resources to the effort to bring about success. Our appropriately coded findings are reported in Table 4. It is noted that some YIEPP Tier grants are enormous--over twice the size of the sponsorship's Title I allocation in Denver--and therefore likely to have important impact.

Management Decisions as Context--Effects

Table 4 summarizes our findings for the variables we have discussed and organizes them by planning model and site. The general conclusion supported by this table is that strong associations do exist between the outcome of management decisions made by the prime sponsor and the nature of planning. More specifically, the Future Oriented sites are distinguished by a set of particular variations on the eight indicators considered. Future Oriented sites in this sample invariably have excellent key staff while only 3 of 9 Operations Management were judged to have excellent staff. No discontinuities in key staff or administration existed among FO sites. Influence structures are uniformly staff dominated with only minor service deliverer participation in determination

Table 4: A SUMMARY OF THE RELATION OF MANAGEMENT DECISION VARIABLES TO THE NATURE OF PLANNING SYSTEMS

	1. Quality of Key Staff	2. Discontinuity in Key Staff or Administration	3. Service Deliverer Participation	4. Advisory Committee Participation	5. Involvement of Business	6. Political Official Support	7. Extent/ Quality of Monitoring	8. Optional Activity
FUTURE ORIENTED								
Baltimore	H	N	1	--	H	+	H/H	S/YI
Penobscot	H	N	--	1	H	+	H/H	S
Syracuse	H	N	--	3	H	+	H/H	S/YII
OPERATIONS MANAGEMENT								
Albuquerque	MH	Y	4	3	--	+	H/M	S/YII
Atlanta	MH	N	4	3	L	+	H/MH	S
Bergen	H	N	3	3	L	0	H/H	S
Gulf Coast	MH	N	3	--	--	0	ML/M	--
Heartland	MH	N	1	3	--	+	ML/ML	--
King-Snohomish	MH	Y	4	3	L	0	H/M	YI
Omaha	H	N	--	--	M	+	H/H	--
San Francisco	H	N	4	3	L	0	H/H	S
CRISIS MANAGEMENT								
Denver	MH	Y	4	1	M	+	L/L	S/YI

KEY:	1.	2.	3.	4.	5.	6.	7.	8.
	H=Hi M=Med L=Lo --=None	Y=Discon. N=Contin.	#=#of Decision Areas Actor Influenced		H=Hi M=Med L=Lo --=None	+=Above Average 0=Average	H=Hi M=Med L=Lo --=None	S=STIP YI=YIEPP Tier I YII=YIEPP Tier II

of planning decisions. (Advisory Councils may or may not be important.) The three FO sites have achieved business involvement to greater degrees than the OM sites. Above average political support is probably present. Monitoring is uniformly high in both extent and quality. Finally, the FO sites display a common tendency to seek and win optional grants that complement the activities they support under their formula allocations.

Operations and Crisis Management sites, in contrast, shared significant influence with service deliverers in 7 of 9 cases. Three were handicapped by discontinuities in key staff, in two cases severely. Few sought the involvement of business. Political support above average levels was probably present in only 4 of 9 cases. A majority did, however, win optional grant competitions, for the large Tier I YIEPP program in two cases. Only 3 of the 9 possessed monitoring systems that we judged high in both extent and quality of the monitoring.

Thus, although no contextual factor emanating from management decisions was unique to the Future Oriented sites, the pattern of staff-dominated influence structure, high quality staff, stronger than average political support, thorough monitoring, and active involvement of business was characteristic.

We are hesitant in offering observations on the differences that characterize the Crisis Management model because only Denver fell into it, thus precluding observation of patterns. We do note that Denver had an unsettled influence structure in which service deliverers are very important and staff is much less important than average. Denver has also experienced major discontinuity in key staff positions and is attempting to cope with high levels of optional program activity. Political support, although present, has tended to constrain rather than facilitate. Staff quality is not uniformly high. Monitoring is very weak. On the basis of these observations, we hypothesize that the Crisis Management model may be associated with contextual factors emanating from management decisions as strongly as is the Future Oriented model. Naturally, the content of the relationship is reversed. However, this point should not be regarded as established given our limited data base.

An interesting anomaly is offered by the presence of Omaha in the Operations Management model although its ratings on the individual variables are--with the exception of the optional program activity category--in the pattern of the Future Oriented sites. However, the departure of large meatpacking firms from the Omaha area may be a unique local problem that--because it has reordered the local economy from an industrial to a service-based one--has absorbed the attention of program staff.

The Effects of Context--Summary

We initially posed the question of how context affects the nature of planning. We next separately assessed two basic types of context: the general context and the context formed by management decisions. We found that the general context is not strongly associated with the type of planning model, but that the context created by management decisions is so associated. This is particularly significant because the majority of the management decisions we have examined are manipulable. We hasten to add the recognition that such manipulation can be extremely difficult and require major efforts. But it may be possible if those who desire it are willing to pay the price that may be required. We further recognize that a site attempting to convert constraining patterns among the management decisions to favorable ones may be handicapped to the extent that it must devise a number of responses at once. The more constraining factors the staff must respond to, the less likely it is that each response will be successful because of limits on staff accomplishments simply imposed by available time. Likewise, the greater the number of constraining contextual factors present at a site, the greater is the likelihood that a response designed to counter one constraining feature will be crippled by another contextual factor and fail to have the desired result. For example, an RFP system designed in one of our sites to respond to a stressful service deliverer environment failed in part because staff discontinuities, another contextual feature, led to a non-functional MIS system, a third contextual feature, the lack of which doomed the RFP effort and left planning decisions essentially beyond control. (Other factors were also important.) Finding a starting point to escape a counter-productive pattern may be indeed difficult.

On the positive side, we observe that although difficulties exist, they are not insurmountable. The key elements we have identified that characterize the Future Oriented sites are straightforward:

-- Key staff of the highest quality, who are encouraged to remain with the program and offer it consistent leadership.

-- Monitoring systems that yield accurate and complete information about the program.

-- Control of service deliverer participation in key decisions that affect who the program serves and how it serves them.

-- Deliberate steps to involve the business community in more than token activities.

-- A willingness to look beyond the narrow boundaries of operating programs allocated by formula (indicated by the presence of optional program activity).

-- Political officials who support decisions made by staff and are willing to accept limited controversy when it is the price of progress.

With the exception of the last two points, procedures to develop strengths in these areas either exist or are being developed. Management literature offers methods to recruit, train, and motivate staff. It also provides procedures for developing and using monitoring systems. The experience of many prime sponsors is available as a guide in controlling service deliverer participation without loss of the employment and training knowledge these deliverers have accumulated. Use of non-voting service deliverer groups auxiliary to the advisory council, of RFPs and RFQs, of fair and open decision-making rules centered on objective data, and--infrequently--of direct prime sponsor operation of programs are all examples. Business involvement--once rare--is the current focus of experimentation under Title VII of the 1978 CETA Amendments. Although this experiment may yield limited success if economic conditions deteriorate, even these limited successes will represent considerable improvement over present low activity levels. Even a willingness to innovate and the support of political officials, although more subtle in origin than the other elements, are, by the evidence of our sites, within the abilities of a reasonably advantaged prime sponsorship. The combination of all these factors appears associated with a distinctive type of planning. Whether these factors are also associated with program performance is the question we will examine next.

A. OVERVIEW

Many factors in addition to the nature of planning will affect prime sponsors' program performance. While that is a simple statement, even an obvious one, it quickly becomes mired in complexity when the range of factors that may impinge on program performance is enumerated. Prime sponsor staff administer local manpower programs in complex and diverse local environments or contexts that include economic conditions, demographic characteristics, political conditions, previous program history, Department of Labor guidelines, and attitudes and preferences of relevant actors. In addition to contextual features such as these, characteristics of the staff's own organization and its management decisions often have an impact on performance (manpower planning activities and decisions are considered as a subset of staff management characteristics or decisions). Characteristics of the manpower delivery system in operation, and the ability to implement planning decisions can obviously also have an effect on program performance. Adding to the overall difficulty in understanding what affects program performance is the ambiguity of the nature of program performance itself. It may be thought of in terms of short-term outcomes like placement rates, wage gain after CETA participation, and cost efficiency measures. It may be more appropriately measured in terms of long range economic impacts on former CETA participants. And performance can also be measured in terms of administrative and process oriented features such as degree of participation in decision-making by non-staff actors.

Figure 2 presents a diagram to help visualize the various relationships that are possible between performance factors and antecedent conditions. This diagram will be used to organize the present investigation into explaining program performance. The shading of sections for context, management, and planning indicates that all of these areas affect performance.

In Section II, we examined associations between selected features of local context and planning models, as well as linkages between management characteristics and planning, to help explain under what conditions different types of planning would emerge.

In the present Section, we want to examine the linkage between planning and performance. But because performance can be affected by many factors other than planning, we want to look at the linkages between features of context and performance, as well as associations between management characteristics and performance. We will examine again some findings about the impact of program mix and participant characteristics on performance reported in earlier research (see, for example, Ripley and Associates, 1978: chapters 4 & 5; Mirengoff and Rindler, 1978: chapter 9). We are also interested in testing the validity of certain operating assumptions (conventional wisdom) of manpower practitioners. The analysis in this section will focus on describing and explaining the linkages found for the 12 prime sponsorships included in the areawide planning study. Where appropriate, we will also compare our findings about the 12 planning sites with the situation in the 30 other prime sponsorships in which we conducted field work for two previous studies.

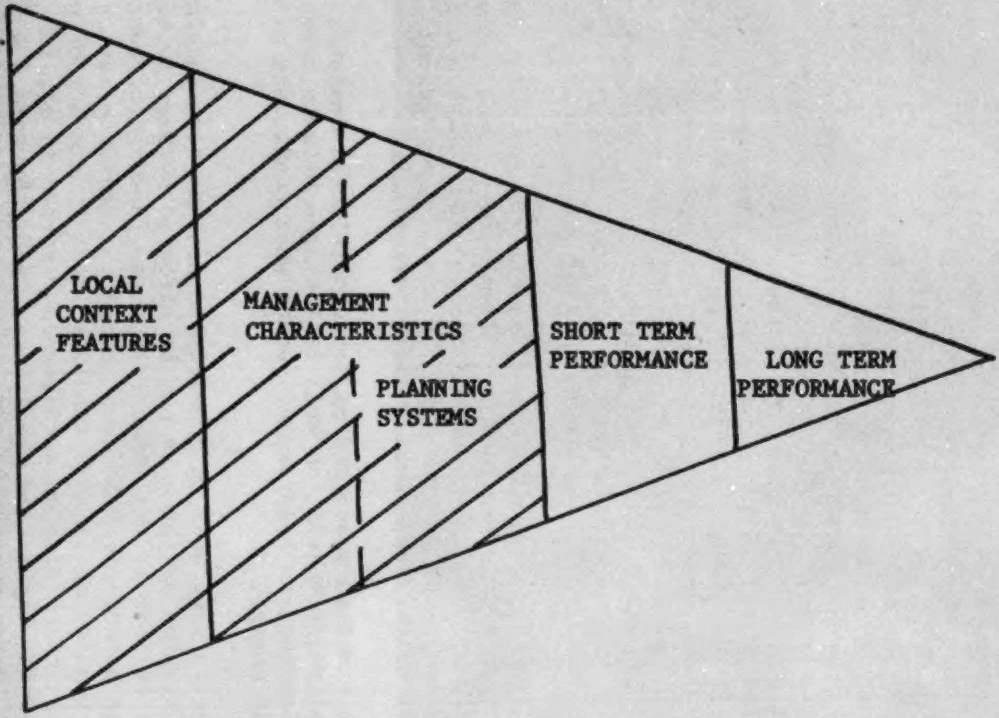

LOCAL
CONTEXT
FEATURES
MANAGEMENT
CHARACTERISTICS
PLANNING
SYSTEMS
SHORT TERM
PERFORMANCE
LONG TERM
PERFORMANCE

Figure 2: PROGRAM PERFORMANCE AND ANTECEDENT CONDITIONS

Discussion of Performance Measures

Unfortunately, there is no single summary measure of prime sponsor performance that would allow a researcher or evaluator to classify prime sponsors into groups of good or bad, worst or best performers. Such a summary classification would be too simplistic anyway, because "performance" is a concept with many dimensions. Performance measures can include placement rates, quality of placements, participants' wage gain in the short run, wage gain in the long run, economic impact of CETA on the local community, management efficiency of the prime sponsors' administration, cost efficiency of manpower programs, local prime sponsor perceptions about success in achieving local goals, and many more. All of these are legitimate aspects of performance, but there are not equally important, and furthermore, data are not equally available to measure each aspect of performance.

The impact of CETA participation on the future employment, earnings and career advances of participants--impact that is categorized as long range program outcomes in Figure 2--is, or at least should be, the ultimate measure of prime sponsor performance. Improvement in the economic situation of CETA participants--increased earned income--is a major purpose of the CETA program, as Section 2 of the 1978 amendments to the CETA legislation clearly indicate. Ideally, if success is to be judged in terms of economic impact on the participant, data should be available to measure not just whether a person was placed after CETA, but also to measure long-run economic consequences such as retention in employment, wage gain over time, and client satisfaction with CETA services. The only source of such data, however, is the Continuous Longitudinal Manpower Study (CLMS) funded by the Employment and Training Administration, but its findings based on followups of a nationwide sample of participants are just beginning to emerge (see Westat, 1978).

Prime sponsors have not been required to collect systematic data on the post-CETA experiences of participants. Followup on participants at the prime sponsor level is almost totally absent. This results in a lack of knowledge about quality of placements, type of occupations, long range wage change of participants, and moves up (or down) career ladders. A few prime sponsors do conduct this type of impact evaluation on their own, but most do not. The federal quarterly report forms do not contain space from prime sponsors to report on participants' post-CETA experiences even as an optional item.

Thus even though long term economic outcomes on participants may be recognized abstractly as the most desirable way to measure prime sponsor performance, data are not available to allow comparisons and judgments about prime sponsors to be made.

The existing data collection system established by the Department of Labor stresses only selected short run quantitative measures of performance such as number of participants enrolled, placements obtained, and nonpositive terminations for all program activities within a single title. Information on participant termination experiences by individual program activity (classroom training, OJT, work experience) is not included, however, and comparisons of the effectiveness of different types of program strategies therefore cannot be made. A few prime sponsors do produce comparative information at their own initiative. Most do not because it is not required by the Department of Labor. And even those that do collect such data cannot report it to DOL because the quarterly report forms do not contain space for such optional information.

In short, the existing data on prime sponsor performance capture only a limited dimension of performance, and permit only rudimentary judgments to be made. As Mirengoff and Rindler note (1978:222-223): "... the present data system...has gaps in essential data, a lack of flexibility for making crosstabulations, and poor quality control."

In this report, we can note the shortcomings of the data available from quarterly reports, but we must use it anyway because they are available, and because they reflect the main goal of the Department of Labor for CETA Title I during its first four years, namely placements. Discussion of the short term program performance measures used in this analysis follows.

How effective is participation in CETA in terms of getting people into an unsubsidized job? The overall placement rate (abbreviated PLRATE) indicates what proportion of the total participants enrolled succeeded in obtaining unsubsidized employment. It is computed by dividing the number entering employment by the number enrolled for each quarter.

Because the number of people who enter employment is comprised of self-placements and direct placements (persons who received just outreach, intake, manpower services and perhaps supportive services) as well as indirect placements (people who receive training and employment experience as well as outreach, intake, manpower services and perhaps supportive services), it is useful to include an additional measure of placement that taps the effectiveness of the real essence of CETA services (the training and employment experience) in getting participants a job. The number of indirect placements divided by the total number of participants enrolled provides one plausible measure of CETA's placement efficiency (abbreviated PLEFFIC), and indicates what proportion of all the people enrolled got unsubsidized employment after receiving CETA training or employment experience (that is, CETA services other than just outreach, intake, or manpower services).

The rate of nonpositive terminations (abbreviated NPT) from Title I indicates the proportion of participants who leave the CETA program for other than positive reasons (such as obtaining employment or returning to school or entering the military.) A high nonpositive termination rate can indicate problems in management of recruitment, assessment, and referral of enrollees, as well as problems in participant flow and placement activities. NPT is computed by dividing the number of nonpositive terminations by the number of all terminations for the quarter.

The cost per enrollee ($ENROLL) and cost per placement ($PLCMT) provide two simple measures of the economic efficiency of the operation of local CETA programs. The measures are computed by dividing the total accrued expenditures by the number of enrollees and the number of persons placed, respectively.

We should explain the decision not to use one category of data that is included in the quarterly reports submitted by prime sponsors. The Quarterly Summary of Participant Characteristics (QSPC) includes reporting sections that compare the wages of participants placed in unsubsidized employment after CETA with the wages they earned before CETA. We chose not to use this information to construct a wage gain measure for several reasons, including serious doubts about the accuracy of the data reported, and lack of controls for the effect of inflation over time, and the lack of a control for different prevailing wage rates among prime sponsors. The most troublesome of these drawbacks was the concern over the quality of the data, however. Interviewees indicated that the figures reported tended to be estimates at best, and that they also tended to overstate the actual wages earned after placement. Verification of the reported figures is not possible, either for prime sponsors or for researchers such as ourselves. Examination of the completed QSPC forms makes it clear that prime sponsors' MIS staff do not understand how to complete the pre- and post-CETA wages section of the forms--numbers that are supposed to add up don't, and large numbers of placements are unaccounted for. Given these problems, we reluctantly excluded wage change from our performance measures.

The concept of standardized performance measures for CETA was developed and articulated by the Department of Labor in FY 76. Many prime sponsors objected to the manner in which the performance measures were applied, arguing that local diversity of clients, programs, and economic conditions rendered uniform national standards arbitrary and inapplicable. We have not attempted to set arbitrary ranges of acceptable or unacceptable performance for the measures discussed above. We have some doubts about the validity of some of the performance measures and about the quality of data reported in some cases. However, we used these measures in a previous study with results that did no violence to more qualitative judgments (Ripley and Associates, 1978). We have also avoided overreliance on any single measure as a safeguard against making invalid inferences.

Methodology

We relied on a variety of techniques to describe and explain relationships among the explanatory and performance measures. We used simple descriptive statistics and contingency tables when the data categories were only nominal or when the number of data points (observations) was too small to permit any other kind of technique to be used. We used bivariate correlational analysis to test for the strength of associations between pairs of variables, and we used step-wise multiple regressions to test for the effects of numerous explanatory variables on performance measures.*

Many of the quantitative data used to measure explanatory factors (for example, unemployment rate, program expenditures, participant characteristics) were available from prime sponsors' quarterly reports to DOL (Quarterly Summary of Participant Characteristics, Program Status Summary, and Financial Status Report). We used data from these reports for the quarters from December 1974 through June 1978 (the most recent quarter for which data was available). Many other explanatory factors that we investigated were more qualitative in nature (for example, attitudes, preferences, and management characteristics of the prime sponsorship). For these more qualitative measures, the time points used in analysis were limited to those quarters during which field work was done, plus the quarters immediately preceding and immediately following the on-site quarter. The reason for this restriction is simply that we could not be confident that the aspects of prime sponsor characteristics captured in the qualitative measures would remain constant over time. (In fact, it is the nature of these variables to change; we could judge them for the period of time of on-site field research, but we did not feel comfortable extrapolating forward into the future or backward into the past for more than one quarter.)

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* Correlation and multivariate analyses used the SPSS (Statistical Package for Social Scientists) programs, which are supported at the Instruction and Research Computer Center at Ohio State University.

B. RELATIONSHIPS BETWEEN CONTEXT AND PERFORMANCE

In this section we examine the associations between selected parts of the prime sponsors' local context and the standard indicators of performance. The strategy guiding the choice of context elements to be examined was based on a desire to re-examine previous research findings (Ripley and Associates, 1978) using a different sample of prime sponsors as well as a desire to examine some of the common assumptions ("conventional wisdom") underlying manpower program operations. The availability of data of reasonable quality, accuracy, and comparability among prime sponsors also contributed to some of the decisions. In the following pages, the impact of economic conditions, demographic conditions, attitudes, and previous program decisions are examined, using both bivariate and multivariate analyses.

Bivariate Relationships Between Economic Conditions and Performance

Unemployment Rate. We used the local unemployment rate to measure economic conditions not only because it is a readily accessible measure, but also because it is widely perceived to be the most important feature of local economies that constrains CETA performance. Monthly unemployment rate data from the Bureau of Labor Statistics were averaged to obtain quarterly and annual averages of unemployment rate in the prime sponsorships.

We wanted to examine the statistical association between unemployment rate and performance measures to determine whether and how much unemployment constrains good performance. If unemployment rate correlates strongly with performance measures, then manpower practitioners are correct in believing that unemployment rate will limit program choices and performance. If, however, there is no relationship or only a weak one, then local manpower practitioners would have greater latitude in making program choices and in managing program performance than they may realize. Specifically, the conventional wisdom that high unemployment is associated with low placement rates (and the converse, that low unemployment is associated with high placement rates) would be seriously challenged if no relationship or only a weak relationship were found. The results of an earlier CETA study did present such a challenge to conventional wisdom (see Ripley and associates, 1978:82-85).

Using bivariate correlational analysis we tested the association between unemployment rate and performance in a number of ways. We correlated the quarterly unemployment rate with the cumulative performance measures for the same quarters. We also correlated quarterly unemployment with performance data that were lagged one and two quarters later, reasoning that the effects of unemployment may take some time to be observed in performance. We also correlated the annual unemployment rate (computed on a fiscal year basis, to be comparable with the performance data) with just the cumulative end of fiscal year performance figures, reasoning that relationship between non-cumulative unemployment rates and cumulative performance data might not be apparent unless the annual average were used. For each test using different operationalizations of unemployment rate, we examined all quarters since December, 1974, together for the 12 planning sites, as well as separating out the end of fiscal year quarters and analyzing them separately.

The general conclusion emerging from all of the tests of unemployment rate and performance measures is that there were no strong relationships. Table 5 presents the strongest correlations found--those between quarterly unemployment rate and program performance measures. The correlations between annual and lagged unemployment rate and performance measures were all weaker than those presented in Table 5, and for space reasons they are not presented in tabular form.*

As Table 5 shows, the highest single correlation coefficient obtained was only .31 (between unemployment rate and nonpositive termination rate) for the end of fiscal year quarters. When all quarters were analyzed together, the relationship was weaker (.25). This suggests there was some tendency, but not a strong one, in the 12 planning sites for higher unemployment to be associated with higher nonpositive termination rates.

There was also a weak relationship present between quarterly unemployment rate and both measures of placement for the end of fiscal year quarters in the planning sites. The weak inverse relationship (r's = -.26 and -.27) suggests that there was a slight tendency for higher unemployment rates to be associated with lower placement rates. This supports the generally accepted belief about the effects of unemployment, but it should be noted that the relationships are very weak and ought not to be considered determinative. Certainly they do not justify an attitude that the prime sponsor staff are helpless to improve placement rates because of the level of unemployment rate.

There were no correlations greater than the cutoff of .20 for either measure of cost efficiency, except for a weak inverse relations between quarterly unemployment rate and cost per enrollee for the end of fiscal year quarters. This relationship means that there was a weak tendency for prime sponsorships with higher unemployment rates to have lower costs per enrollee.

A possible exception to this generalization can occur in a prime sponsor in which unemployment is rising rapidly, specifically in industries in which the prime sponsor has concentrated training and placements. In such a case, the impact of unemployment on performance would be strong and direct. But that possible exception does not weaken the general finding that unemployment is only weakly associated with performance.

The weak to non-existent relationships found in this part of the analysis support the general assertion that program performance is not controlled by unemployment rates. The most that these results show is a weak inverse relationship between unemployment and placement and a modest positive relationship between unemployment and nonpositive terminations for the 12 prime sponsorships in the planning study.

We extended the bivariate analysis of unemployment rate to see whether changes in unemployment were related to changes in program mix measures in the 12 planning sites. We again found that unemployment rate was not strongly related to program mix either in terms of enrollments or expenditures. There was a weak and unexpected relationship between higher proportions of OJT expenditures and higher unemployment rates (r=.24), which is not an association that conventional wisdom would predict. Practitioner belief is that OJT expenditures would decrease in times of higher unemployment.

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* In discussing correlation coefficients, we used the following guidelines throughout Section III: coefficients of less than .20 were not considered to be strong enough to represent a relationship; those between .20 and .30 were described as representing a weak relationship; coefficients between .30 and .50 describe a moderately strong relationship, and those greater than .50 represent a very strong relationship.

Table 5: Bivariate Correlations Between Quarterly Unemployment Rate and Performance Measures

	Overall Placement Rate	Placement Efficiency	Non Positive Termination Rate	Cost Per Enrollee	Cost Per Placement
12 Planning Sites, All Quarters since 12/74 (N=155)	1/	1/	.27	1/	1/
12 Planning Sites, end of fiscal year quarters (N=45)	-.26	-.27	.31	-.24	1/

1/ Correlation coefficient (Pearson R) less than .20.

There was also a weak tendency for the proportion of work experience enrollments to be higher in prime sponsors with higher unemployment rates (none of the r's was greater than .25), which is more in keeping with expectations. The proportion of "other" enrollments showed a moderately strong tendency to be higher in prime sponsors with higher unemployment (r=.40).

More significant than the relationships found between unemployment rate and program mix measures, most of which were only weak, was the absence of strong relationships between unemployment rate and the proportion of either expenditures or enrollments for training activities. The absence of strong correlations means that program commitments to classroom training and OJT were not dictated by unemployment rates in the 12 prime sponsors in the planning study. Changes in expenditures and enrollments were occurring independently of changes in the unemployment rate. Unemployment rate was not a controlling factor determining the actual mix of program expenditures and enrollments.

Other Indicators of Economic Conditions. Although unemployment rate is generally accepted as a good measure of local economic conditions, we wanted to use some additional measures of local economies to enlarge our investigation into the relationship between this context feature and program performance. Comparable labor market data were not available for two of the planning sites (Penobscot and Heartland) so they had to be excluded from this portion of the analysis. For the other ten sites, we obtained information from the BLS Employment and Earnings reports on the proportion of workers in local labor market areas who were employed in service occupations. We felt there might be a relationship between the proportion of services in an area and the prime sponsor's placement rates. Specifically we hypothesized that placements would be easier and therefore placement rates would be higher in economies with a large proportion of service occupations because jobs in the services classification are generally more accessible to CETA participants than are jobs in manufacturing in which union memberships and skills requirements often pose significant barriers to employment of CETA participants.

The results of correlations between the proportion of service workers and the placement rate measures showed that there was no relationship, however. The absence of a relationship is encouraging because it indicates that prime sponsors' placement rates were not tied to the prevalence of service occupations in their area, but rather were diversified among other segments of the economy.

We also used BLS reports to derive a simple measure of economic growth in the planning sites, computing a ratio of the total number of workers in the labor market area in 1977 compared to the number of workers in 1970. The ratio ranged in value from 1.00 (indicating 0% growth in the number of jobs) to 1.45 (indicating a very large 45% increase in the number of jobs). (Penobscot and Heartland data were again unavailable.)

Practitioner wisdom suggests that placement rates would be higher in prime sponsors with high growth rates. If the number of jobs is increasing it is presumably easier to place people. In areas with low or no growth, placements would presumably be more difficult. Our analysis, however, showed that growth in the economy is not a guarantee of good placement rates, nor is lack of growth a serious constraint to good placement performance.

Three of the prime sponsorships with the lowest growth (Bergen had 0%, Baltimore had 7%, and San Francisco had 10% growth) in the number of jobs between 1970 and 1977 had very high placement rates (the overall placement rate for fiscal 1978 and fiscal 1977 was averaged). Nearly all of the prime sponsors with higher growth in their economies had placement rate figures that were lower than these three prime sponsors with low growth.

Of the two prime sponsorships with the highest growth rates (Albuquerque had a 43% increase and Gulf Coast had a 45% increase), Albuquerque did show the highest overall placement rate of any of the ten prime sponsors analyzed. Gulf Coast, despite an even higher growth rate, had a placement rate that was good but not outstanding; it was in fact lower than the overall placement rates achieved by the three prime sponsors with the least growth, and the same as the placement rate of the fourth prime sponsor with low growth (Syracuse).

Other prime sponsors with high growth rates showed good placement rates, but not as sensational as one would expect if the effect of growth on CETA placements were really the key to success. None of the other prime sponsors with higher growth achieved placement rates as good as the placement rates of the prime sponsors with the least growth.

Table 6 summarizes the data on growth in a number of jobs and prime sponsor placement rates. This table supports the general conclusion that while growth in the economy doesn't hurt placement rates, it is not an essential condition. Prime sponsors with low growth can still achieve very good placement rates--although they may have to work harder to do it with measures such as more conscientious planning, supervision of job developers, and attention to occupational trends.

Bivariate Relationships Between Demographic Characteristics and Performance

We used characteristics of CETA enrollees as a surrogate measure of demographic features in the prime sponsorship. Earlier research has shown that the characteristics of CETA enrollees are reasonably representative of the universe of need in the prime sponsorship (Ripley and Associates, 1978:54-55).

An additional reason for investigating demographic characteristics of participants is that conventional wisdom among manpower practitioners suggests that the type of participant served determines the level of program success. We wanted to test the presumed linkage between this element of context--which is manipulable by manpower staff through the decisions and policies of intake and recruitment agencies--and program performance. We also wanted to examine an earlier finding of almost no relationship between participant characteristics and performance (Ripley and Associates, 1978:91-93).

We examined both all enrollees and all participants placed, using a variety of characteristics typifying persons more "difficult" to serve and place. These included: percent economically disadvantaged, percent welfare recipients (AFDC and public assistance), percent female, percent with less than a high school education or equivalent, percent who were unemployed at the time they entered CETA, percent nonwhite, and percent youth (less than 22 years old). The data came from the QSPCs. We examined the 12 sites in the planning study for all quarters except September 1974 and also for just the end of fiscal year quarters.

Table 6: Growth in Number of Jobs in the Local Economy, 1970-1977, and CETA Placement Rates

Prime Sponsor 1/	Economic Growth 1970-77	Overall Placement Rate (PLRATE) 2/
Bergen County	0%	40%
Baltimore Cert.	7%	40%
Syracuse	8%	38%
San Francisco	10%	40%
Omaha	16%	36%
KSMC	16%	30%
Atlanta	20%	32%
Denver	30%	35%
Albuquerque	43%	48%
Gulf Coast	45%	38%

1/ Data not available for Penobscot and Heartland Consortia.

2/ Cumulative overall placement rates for fiscal 1977 and 1978 averaged.

Table 7 presents the results of correlations between participant characteristics and performance measures. (Data are reported only for the characteristics of all enrollees for end of fiscal year quarters.) The relationships between characteristics of participants placed and performance measures were much weaker (although none were contrary to those in Table 7), and for space reasons they are not included in the table.

The results provide only limited support for the general notion that participant characteristics per se determine program performance levels, or that certain types of people cause poorer performance. Many of the associations between client characteristics and performance measures were absent or were only weak. For example, the percent of economically disadvantaged was not associated with either placement or nonpositive termination, nor was the percent female. The percent of welfare recipients showed only a weak depressing effect on only one measure of placement.

None of the client characteristics were related to nonpositive terminations. Only the percent economically disadvantaged and the percent of welfare recipients showed a relationship with cost per placement, and that was extremely weak.

Some of the results of the bivariate analysis between client characteristics and performance measures do support the conventional expectations, however. For example, there was some association between the percent of nonwhite enrollees and poorer placement rates. The most notable relationships were between the proportion of young enrollees and placement and costs per enrollees. For example, both the percent of enrollees who were less than 22 and the percent of enrollees who did not have a high school education showed a distinct association with lower rates of placement, for both measures of placement (r's were in the -.40 to -.50 range). These characteristics were also related to cost per enrollee, though less strongly. There was no association between the youth measures and the cost per placement, however. (There was a high correlation between the percent less than 22 and the percent without a high school education, in the .9 range, suggesting strongly that both variables are measuring the same group of people in the 12 planning sites. This is logical, since many of the young enrollees in CETA programs are high school students who have not yet graduated.)

Based on the bivariate analysis of client characteristics and performance measures, we can conclude that except for the younger enrollee group, the demographic characteristics of participants have an unimportant effect on prime sponsor program performance. This suggests that prime sponsor staff need not feel that the demographic composition of their participant group will predetermine the level of performance on placement, nonpositive termination, and cost efficiency measures. This also suggests that screening clients at intake and referral (skimming or creaming) is not necessarily going to result in better performance.

A caution in interpreting these results of bivariate relationships must be offered. We are not asserting on the basis of these statistics that there is no difference among clients, and that the nature of participants has no bearing on program performance results. Indeed, we believe that CETA participants, like most people, vary in terms of the personal motivation, incentive, and the barriers to employment that they face. These types of qualitative characteristics can affect program performance, but they are not accurately measured by the demographic data reported on the QSPCs. In terms of demographic characteristics, we do assert that there is little impact on program performance other than for the younger participants.

Table 7: Bivariate Relationships Between Participant Characteristics and Performance Measures, 12 Prime Sponsors, for End of Fiscal Year Quarters 1/

	PLRATE	PLEFFIC	NPT	$ENROLL	$PLCMT
% Econ. Disadv.	2/	2/	2/	.21	.20
% Welfare Recip.	-.27	2/	2/	2/	.21
% Without High School Educ.	-.40	-.50	2/	-.51	2/
% Female	2/	2/	2/	2/	2/
% Unemployed	.28	2/	2/	2/	2/
% Nonwhite	-.26	-.38	2/	2/	2/
% Less than 22 Years Old	-.49	-.48	2/	-.26	2/

1/ The number of cases is 45.

2/ Correlation coefficient (Pearson r) is less than .20.

Bivariate Relationships Between Attitudes of Actors and Performance

Two attitudes were tested for their association with performance measures--commitment of the staff to serving the economically disadvantaged and commitment of the staff to placement as a goal for Title I programs.

The commitment to the economically disadvantaged is an attitudinal measure reflecting the extent to which the management level staff articulated preferences for using Title I resources to help primarily economically disadvantaged participants (as opposed to other possible target groups). Judgments about this attitude were made by our field staff following extensive field work in the sites, observations, review of documents, and lengthy interviews. The attitudes among the 12 planning sites ranged from very strong and explicit preferences for serving the disadvantaged to moderate commitment.

In testing the association of this variable with performance measures, we did not attempt to reproduce exactly the research reported earlier (Ripley and Associates, 1978:66) between attitudes and characteristics of persons who were served, and the results of the present research are not as conclusive as those reported earlier. Seven of the planning sites were judged to have very strong and explicit commitment to serving the economically disadvantaged with Title I resources. Four of those sites also performed best in terms of actually serving the economically disadvantaged. (Service to the economically disadvantaged was measured three ways: in terms of the percent of enrollees who were classified as economically disadvantaged, the percent of all participants placed who were similarly classified, and the proportion of economically disadvantaged persons placed relative to the percent and proportion of economically disadvantaged enrollees.) In these four sites, the expectation about attitudes and performance were confirmed.

But in two of the seven prime sponsors where the staff had very strong commitment to serving the economically disadvantaged the rate of actual service to them was lowest of the 12 prime sponsorships: the remaining "very strongly" committed prime sponsorships had relatively low performance. The one prime sponsorship where commitment to the economically disadvantaged was judged to be only moderately strong nonetheless displayed the highest rate of actual service to economically disadvantaged of any of the 12 planning prime sponsors. There was no relationship apparent between the level of commitment and placement rates or cost measures.

These results suggest that although a strongly held attitude on the part of the management level staff for serving the disadvantaged may be important to achieving high actual levels of service in some cases, the attitude alone will not assure good performance.

Another attitude examined was the staff's commitment to placement as a goal for Title I programs. The commitment to placement is an attitudinal measure reflecting the extent to which placement was articulated and regarded as a goal for Title I programs by the management level staff of the prime sponsors. Judgments were made by our field staff following site visits, and ratings ranged from very strong and explicit commitment to placement to limited commitment.

The analysis of the relationship between this attitudinal variable and actual performance showed some relationships were present as expected, although not as dramatically strong as were expected. Correlations between the ratings on this variable and performance measures (using only on-site quarters) showed that there was a weak association between level of commitment to placement and overall placement rate (PLRATE r=.22) which suggests that in prime sponsors

62

where commitment was highest, there was a weak tendency for placement rate to also be high. There was no association between this commitment measure and the indirect placement measure, however.

There was a reasonably strong inverse relationship between the stronger commitments and the rate of nonpositive terminations ($r=-.42$), indicating that in prime sponsors with stronger commitment to placements, the nonpositive termination rate was distinctly lower. There was no relationship found between the commitment to placement and either of the cost measures.

The relationship between strength of commitment to placement and actual placement rates was not strong, but this finding is not illogical. A staff commitment will not by itself guarantee placement success, but the presence of such a commitment will be likely to facilitate other actions that can directly affect placement, for example, monitoring and coordinating job development activities of subcontractors, or changing training curricula as occupational trends in the labor market area change.

This investigation between attitudes and performance has not been comprehensive, but it has revealed a modest association between attitudes and performance in the 12 planning sites. We would conclude from this exploration that while the attitudes of actors do not pose unsurmountable constraints on performance, neither does the presence of felicitous attitudes guarantee good performance. Attitudes can affect performance indirectly, and other factors besides attitudes in the 12 planning sites studied offered greater explanation of variation in performance.

Bivariate Relationships Between Previous Program Operations and Performance

We treated program mix as an indicator suggestive of previous program operations. We were less interested in the constraints that previous decisions about program mix pose for subsequent years' program mix decisions (the so-called "incrementalist" argument) than we were in the effects that program mix commitments have on program performance. Practitioner wisdom suggests that training programs, although they are more costly, result in better placement rates than do work experience or PSE. Program mix is a variable that is moderately manipulable by manpower staff.

The best test of the relative effects on program mix decisions on performance would be to examine the placement rates and cost measures associated with each program category--classroom training, OJT, and so on--and compare them. Unfortunately, such data are not available, and the best substitute available is to relate enrollments and expenditures for each program component with the prime sponsor's overall placement rates and cost measures.

We measured program mix enrollments by dividing the cumulative number of participants in classroom training, OJT, work experience, PSE, and other activities by the cumulative number of total enrollees for each quarter. ("Other" was not a reporting category after FY 76; participants in the governor's 5% vocational education category were not included.) The percent of program mix expenditures was computed similarly by dividing the total cumulative accrued expenditures into the cumulative expenditures for classroom training, OJT, work experience, PSE, services, and other activities. (The expenditures from the governor's 5% vocational education funds were not included.) Data came from the quarterly reporting forms for all measures of program mix.

We examined the 12 prime sponsors in the planning study for all quarters except September, 1974, and also for just the end of fiscal year quarters. The results of the correlations are summarized in Table 8.

The relationships in the 12 planning sites between classroom training and OJT (using both expenditures and enrollments) and placement rates were less evident than expected. Classroom training expenditures and enrollments were moderately associated with the indirect placement measure (PLEFFIC) (r's in the .30 to .33 range), but not with the overall placement measure (PLRATE). OJT expenditures were not associated with either measure of placement; enrollment in OJT was associated, but only weakly, with the indirect placement measure but only for the end of fiscal year quarters (r=.23). Both classroom training and OJT expenditures were associated with higher costs per enrollee (r=.31 to .51) and with higher costs per placement (r=.24 and .33). The proportion of enrollees in classroom training and OJT was strongly associated with cost per enrollee (r=.45 to .76) and to a lesser extent was associated with higher costs per placement.

While expenditures and enrollments for classroom training and OJT did not show the expected strong associations with the measures of placement, the proportion of expenditures on work experience did show a distinct depressing effect on both measures of placement, but especially on the indirect placement measure (r's ranged from -.25 to -.48). Work experience expenditures were moderately associated with lower costs per enrollee but not with cost per placement.

The proportion of prime sponsor expenditures for services was weakly associated with improving performance on both measures of placement (r's from .24 to .29).

Program mix commitments are fairly manipulable by staff, and based on this bivariate analysis we could recommend that prime sponsors seeking to improve their placement rates should minimize work experience commitments. Resources spent on services will help improve placements, but not dramatically. The apparent lack of a positive relationship between commitments for training and placement does not support a recommendation that prime sponsors should avoid investing in classroom training and OJT, however. We continue to believe that placement success and benefits to the participants are enhanced by commitments to classroom training and OJT.

Combined Effects of Context Variables on Performance

All the relationships discussed so far have been bivariate--examining the association between pairs of single explanatory factors and single performance measures. While this approach can reveal the presence of important relationships, it does not take into account the effects that other variables may introduce. Prime sponsor staff, of course, do not operate in an environment in which only one factor is impinging on each performance measure--there are many interactions occurring between a host of potential explanatory factors and performance measures. In the preceding section we employed a verbal and qualitative multivariate analysis of the impacts that numerous context features had on the three models of planning. In this section, we will employ a quantitative analysis of the impacts that selected context features exerted on performance in the 12 planning sites. The results will provide a descriptive map of which factors were influencing program performance in the 12 prime sponsorships in the planning study, and will in effect set a context in which to understand the additional impacts of planning systems and other variables.

Table 8: BIVARIATE CORRELATIONS BETWEEN PROGRAM MIX MEASURES AND PROGRAM PERFORMANCE MEASURES for 12 Planning Sites, All Quarters Except September 1974 and End of Fiscal Year (EOY) Quarters 1/

	PLRATE		PLEFFIC		NPT		$ENROLL		$PLCMT	
	All Qtrs.	EOY Qtrs.	All Qtrs.	EOY Qtrs.	All Qtrs.	EOY Qtrs.	All Qtrs.	EOY Qtrs.	All Qtrs.	EOY Qtrs.
% CT Expds.	2/	2/	.31	.30	2/	2/	.31	.51	2/	.33
% OJT Expds.	2/	2/	2/	2/	2/	2/	.32	.43	2/	.24
% WE Expds.	-.30	-.25	-.46	-.45	2/	2/	-.25	-.44	.23	2/
% SERV Expds.	.24	.25	.29	.27	2/	2/	2/	2/	.21	2/
% CT Enrollees	2/	.21	.31	.33	2/	2/	.59	.76	.21	.37
% OJT Enrollees	2/	2/	2/	.23	2/	-.31	.45	.48	2/	.25
% WE Enrollees	-.32	-.40	-.43	-.48	2/	-.26	2/	2/	.21	2/
% OTHR Enrollees	2/	2/	2/	.20	2/	.38	2/	2/	2/	2/

1/ N=45 for EOY quarters; N=165 for all quarters

2/ Correlation coefficient (Pearson r) less than .20.

Use of multiple regression analysis gives the researcher the ability to analyze statistically and simultaneously the effects of several explanatory variables on the dependent performance measure. Multiple regression can indicate how much variance the combination of explanatory variables account for, and it can indicate the relative importance of the explanatory variables. While these are important advances over bivariate analysis, multiple regression is not the ultimate tool of analysis—it has many limitations as well. This report is not the vehicle for a treatise on regression analysis, but the reader should be aware that the validity and content of the results of regression analysis can change--often dramatically--depending on a number of factors, for example: 1) the total number of observations (cases) entered into the regression equation; 2) the choice of specific quarters to analyze (only end of fiscal year, all quarters, only FY 78 quarters, and so on); 3) the identity of specific prime sponsors to analyze; 4) the number and identity of the explanatory variables used in the equation; 5) the presence of statistical association among the explanatory variables in the equation; and 6) the assumption of linearity of relationships imposed by regression analysis (as well as correlation) analysis.

We have tried to balance these and additional considerations in order to obtain valid results. We ran regressions for the 12 prime sponsors grouped together (limitations on the total number of observations precluded comparing prime sponsorships clustered in the three planning models separately). We analyzed data both for all quarters except 9/74 (in order to maximize observations and increase confidence in the results) and for all end of fiscal year quarters alone (in order to make the results of the regression analysis consistent with the bivariate analysis). We selected the explanatory variables based on theoretical concerns and previous research findings; we were also guided by the results of the bivariate analysis, the presence of interrelationships among the independent variables, and the results of other multiple regressions not reported here. The resulting list of explanatory factors includes seven variables: percent of expenditures for training activities (classroom and OJT combined), the percent of expenditures for services, the percent of female enrollees, the percent of enrollees lacking a high school education or equivalent, the percent of enrollees unemployed at the time of entering CETA, the percent of enrollees on welfare, and the quarterly unemployment rate.

The regression results reported here should be considered as suggestive and descriptive for the 12 planning sites. The results are not generalizable to other groups of prime sponsors, as comparisons below will illustrate.

Proportion of Variance Explained. Although regression equations yield a plethora of data, we are interested primarily in two questions: what is the combined impact of the explanatory variables on a given performance measure? (this is discussed in this subsection), and what is the influence of an individual variable relative to the other explanatory variables (this will be discussed in the subsection immediately following the present one).

Table 9 shows the combined impact that the seven explanatory variables had on each of the five dependent performance measures. "Variance explained" (denoted by the symbol "R^2") is a statistical concept derived from the procedure

Table 9: PROPORTION OF VARIANCE EXPLAINED (R^2) WHEN SEVEN EXPLANATORY FACTORS ARE REGRESSED ON PERFORMANCE MEASURES [1]

	PLRATE	PLEFFIC	NPT	$ENROLL	$PLCMT
R^2--12 Planning Sites, All Quarters Except September, 1974	33%	46%	12%	27%	36%
R^2--12 Planning Sites, End of Fiscal Year Quarters	32%	36%	19%	58%	32%

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[1] The seven independent variables are: a) quarterly unemployment rate, b) proportion of expenditures for training activities (classroom and OJT combined), c) proportion of expenditures for services, d) percent enrollees unemployed, e) percent enrollees on welfare, f) percent enrollees without high school degree, and g) percent enrollees female.

by which the relationships among variables are computed in a regression analysis.* For convenience, we will interpret the R^2 figure as a guage of the amount of change in the performance variable accounted for by the seven independent variables combined. The size of the R^2 value suggests how important this group of variables is in explaining change in the performance measures. The smaller the value of R^2 the less influence the independent variables exerted over the performance measure, indicating that other factors, not in the equation, were accounting for change in the dependent measures.

As Table 9 shows, the same combination of seven independent variables had quite different explanatory power over the different performance measures. The combination of participant characteristics, program expenditures, and unemployment rate was least important in accounting for variance in nonpositive termination rate (NPT) in the 12 planning prime sponsors. The seven variables accounted for only a small amount of variance in this performance measure (12% for all quarters together, and somewhat higher 19% for the end of fiscal year quarters together). This result is consistent with the bivariate correlations reported earlier, and does not change even when other groups of prime sponsors from previous studies were analyzing using the same regression equation. This clearly suggests that context variables, at least as measured here, are not important in accounting for changes in nonpositive termination rate, and that other factors are much more important, for example, the nature and quality of intake, assessment, referral, counseling, and coaching.

The combination of seven context variables accounted for roughly one-third of the variance in the two placement measures. (The figure was higher for the indirect placement measure for all quarters combined). Although this is a higher value than the R^2 figure for NPT, it still is not large enough to suggest a dominant or controlling effect by the independent variables over the placement measures. Two-thirds of the variation in the placement measures is accounted for by factors other than unemployment rate, participant characteristics, and expenditures for training and services. The results of the regression repeated on other groups of prime sponsors underscored the limited explanatory power this cluster of independent variables exercised over the placement measures. In all of the other regressions, the variance explained was lower than the figures reported for the 12 planning sites in Table 9.

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* One of the byproducts of the regression analysis is a regression equation that estimates the best possible straight line to represent the relationships among the variables in the analysis. R^2—the percent of variance explained—is a measure of spread between the actual values of the observations and the estimated values predicted by the regression equation. The larger the value of R^2, the smaller the spread between the actual values and the predicted values of the regression line, indicating a good fit. The maximum possible value of R^2 would be 100%. The smaller the value of R^2, the larger the spread between the actual values of observations and the values predicted by the regression equation, and the poorer the fit between the actual values and the predicted values.

Readers interested in greater elaboration of regression analysis may consult Blalock, 1972: Chapters 17-19.

The seven independent variables combined accounted for roughly one third of the variance in the two cost efficiency measures.* The implications of this general result again are that there is a large margin of variance unaccounted for, meaning that factors other than program mix expenditures, participant characteristics and unemployment rate are more important in explaining variation in cost per enrollee and cost per placement. This conclusion is strengthened when the regressions were repeated for other groups of prime sponsors for which data were available. In all of the other regressions, the total variance explained in the two cost measures was lower than the figures for the 12 planning sites. In none of the other regressions did the R^2 figure exceed 22% for either cost measure or for either sample of quarters. This fact underscores the atypical nature of the unusually high R^2 for the 12 planning sites for end of year quarters for the cost per enrollee measure.

Recapitulating the results of the total variance explained for the 12 planning sites, the combination of seven different measures of context, each presumed by practitioner and conventional wisdom to pose significant constraints on program performance, displayed only limited impact when regressed on each of five measures of performance (with the single exception of cost per enrollee, where the impact was greater). The general conclusion is strengthened when comparisons are made to other groups of prime sponsors; these comparisons show the proportion of total variance in the dependent measures explained to be even less.

The implications of these results for prime sponsor staff are that even within a context of unemployment rate, programmatic expenditures for training and services, and participant characteristics, there is plenty of latitude for the staff to affect program performance; factors other than these features of context are more important in explaining changes in performance.

The Impact of Individual Variables. Given the relatively small proportion of total variance explained by the cluster of seven context variables, given the fact that the proportion of variance explained was even smaller in comparison groups of prime sponsors, and given that the precise interrelationships among the independent variables is subject to change as variables are added or deleted, we opted not to devote excessive space to describing the relative influence and interrelationships of the seven explanatory variables in each regression. The most important variables in each regression equation can be identified (using standardized regression coefficients (BETA's) to determine relative influence), however, to help sort out the results of many of the bivariate associations reported earlier and to indicate which single variable among the seven exerted the most influence on the dependent performance measures when the effects of all the other explanatory factors were statistically controlled for.

The regression analysis showed that for both measures of placement the percent of enrollees lacking a high school degree was the most important variable in the regression equation, and that it exhibited a net negative effect on both measures of placement rates. (This result was present for both all quarters and end of fiscal year quarters.) The strength of this participant characteristics is consistent with the relatively strong inverse bivariate relationships reported earlier for percent of enrollees without high school degrees and the placement measures. The regression results indicate that even in the presence of other explanatory factors, each of which exhibited some independent association with placement rates, the percent of participants without a high school degree is the most important factor affecting the dependent variable. (This "most important" label is relevant only in the context of the total variance explained by all the independent factors together. Recall that the total variance explained for the placement measures was about 33%--the percent of enrollees without a high school degree was the most important of seven variables that together accounted for roughly one third of the change in the placement rates of the 12 planning prime sponsors.)

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* The differences in Table 7 between the R^2 for all quarters and the R^2 for just end of year quarters were reasonably small for all the performance measures except for cost per enrollee, when the R^2 increased from 27% to 58% for the end of year quarters alone. There is no apparent reason for such a large change--changes in other groupings of prime sponsors were very small--except for a unique statistical association among the data points for the 12 planning sites for those points in time. The large R^2 figure is not typical of the other groupings of prime sponsors examined, all of which showed very low R^2 figures on this dependent measure.

The percent of expenditures for training activities was found to be unimportant in explaining variation in the placement measures for the 12 planning sites, even when the effects of the other six variables were controlled for. While consistent with the earlier bivariate results that showed only a weak or absent relationship between training commitment and placement rates, this finding is inconsistent with experience and conventional wisdom that suggests a strong relationship exists between the commitment to training and the placement rates. When the regression analysis was repeated for other comparison groupings of prime sponsors the results did confirm the expected relationships. For the 30 prime sponsors not in the planning study, the expected relationships between training expenditures and placement rates were present, both in bivariate and regression analysis results, and the proportion of expenditures for training activities was the most important single variable in the regression analysis.

For nonpositive termination rates, in the 12 planning sites, the unemployment rate was the most important single explanatory variable, but the importance of this variable must be assessed in the context of the very low total amount of variance accounted for by the seven variables together.

The percent of expenditures for training activities was found to be the most important single explanatory variable in the regressions for both measures of cost efficiency.

Conclusions from the Regression Analysis. Regression analysis helps enlarge understanding of variance in the performance measures by considering more than one explanatory factor at a time. The analysis reported here regressed seven independent variables on performance measures. The seven independent variables were selected because they posed, at least potentially, large constraints on performance, with a concomitant diminished degree of staff flexibility and latitude to alter performance. The results of the regression analysis lead to the following conclusions:

1. A low proportion of variance in the dependent performance measures is explained by the unemployment rate, program expenditures, and demographic characteristics of participants. *There is a great deal of latitude for prime sponsor staff to affect program performance,* even after these factors have been taken into account. This result is true for the 12 planning sites as well as comparison groups of prime sponsors.

2. Unemployment rate is the single least important explanatory factor affecting change in the performance measures among the planning sites. This is consistent with the bivariate results discussed earlier and with research

results reported elsewhere (Ripley and associates, 1978), but it runs counter to conventional wisdom. The point that needs to be made to manpower staff is that unemployment rate may be having a greater impact on the hearts and minds and perceptions of staff than it is actually having on prime sponsor program performance. Attitudes about the impact of unemployment may be a much greater constraint on performance than the actual unemployment rate.

3. The demographic characteristics of participants do not control performance. The multivariate results underscore and strengthen our earlier conclusions derived from bivariate analysis. For only two of the performance measures was a demographic characteristic found to be the most important explanatory factor. For both of the placement measures, the percent of enrollees without a high school diploma exerted dominant influence, in the direction of lower placement rates. For the other measures of performance, demographic characteristics were not the most important explanatory variables.

4. The proportion of expenditures for training activities (combining classroom and OJT) was not important in accounting for variance in the placement measures in the 12 planning sites. The percent of training expenditures was the most important variable accounting for changes in the variance of both measures of cost efficiency. These results were consistent with the bivariate relationships among the 12 planning sites, but they were surprisingly different from common expectations about the association between higher training commitments and better placement rates. Regression analysis using comparison groups of prime sponsors upheld the expected relationships, however.

5. The 12 planning sites are not representative of other groups of prime sponsors, and generalizations from the planning sites based on the regression analysis must be limited. The regression analysis results accurately portray the effects that seven context variables exerted on performance measures for the 12 planning sites, sites chosen for analysis because of the good reputations of their planning systems, and these sites are not necessarily typical of other prime sponsors. In comparisons with other prime sponsor groups, the regression analyses were repeated with the same cluster of explanatory variables, and they were found to have less potency in accounting for variance in the performance measures. Additionally the relative influence of individual variables changed.

C. RELATIONSHIPS BETWEEN MANAGEMENT VARIABLES AND PERFORMANCE

Unlike the contextual (or external) variables used to explain program performance in the previous sections, the concepts in this section, falling under the rubric of management decisions, were chosen to reflect qualities of and processes within the CETA staff organization itself. In general, we focused our attention on three broad categories of management indicators: staff characteristics, administrative characteristics, and relations with other actors. Values for the indicators designed to measure these aspects of management decisions were arrived at through 1) the observations of two-person teams who spent about two separate weeks in each prime sponsorship, 2) review of prime sponsor documents, and 3) extensive interviews with staff, service deliverers, advisory council members, and other local manpower actors.

Among the cluster of staff characteristics we included quality of top staff and quality of all staff. Quality of top staff reflects tne professional capabilities, experience, and qualifications of the management level staff in a prime sponsorship (the director, deputy director, and division or unit heads).

It is not limited to just the planning staff. Quality of all staff represents similar judgments covering all of the professional staff. For both measures, rating categories were very good, good and fair. Both measures are subject to manipulation by staff (staff members can be upgraded by hiring practices and in service training courses, among other things).

In the administrative characteristics cluster, we included programmatic integration, administrative integration, and characteristics of planning systems. Programmatic integration refers to the ability of CETA participants to move within Title I program components and to move between CETA titles. Ratings of mobility ranged from high to low for this variable, which is highly manipulable by staff. Administrative integration reflects the degree to which administration of Titles I, II, and VI is handled by separate staff units or by the same staff. Ratings ranged from high administrative integration (the same staff people oversee all CETA titles) to low (completely separate staff units administer the titles). This is a variable that is moderately manipulable by the staff in the short run.

The features of planning systems that we examine included responsibility for service delivery, use of RFPs in selecting service providers, quality of monitoring, and quality of evaluation. Responsibility for service delivery refers to the local arrangements for providing manpower services, and indicates whether services are entirely subcontracted, entirely run in-house by prime sponsor staff, or whether a mixed mode of delivery is used. This is a variable that is moderately manipulable by the staff.

The use of RFPs indicates the extent of the staff's use of requests for proposals in the selection of service deliverers, and the formal or informal nature of those RFPs. Ratings ranged from high reliance on formal RFPs to no use of RFPs. The quality of monitoring refers to the staff's supervision of subcontractors and staff units responsible for service delivery to participants. Monitoring techniques range from high (extensive use of quantitative and qualitative program reviews based on monitors' field visits and desk reviews) to low (limited, infrequent program review, based on desk review only). The quality of evaluation refers to the staff's assessments of the systemwide performance of manpower programs and reflects the nature and extent of such reviews. Ratings ranged from high (extensive quantitative and qualitative aspects in widespread program evaluations) to low (minimal evaluation, stressing only a few quantitative measures). The use of RFPs, the quality of monitoring, and the quality of evaluation are all highly manipulable by the manpower staff.

In the cluster of management indicators called relationships with external actors we include the role of the Employment Service as a service provider, the involvement of business in manpower programs, and the level of conflict in the prime sponsorship. The ES role refers to the degree to which ES provides manpower services in the prime sponsorship. Ratings ranged from high to low and reflected whether the ES received a substantial proportion of the prime sponsor's Title I budget to provide at least two different functions (such as OJT and intake services) or whether the ES had no role or only a minimal role (for example, verification of placements). The extent to which the staff actively solicited and obtained a role for business in manpower decisions and programs resulted in ratings that ranged from high, explicit business involvement (for example, business was involved in service delivery, or staff committed a large portion of funds to OJT, or placements were made in the private sector as a result of aggressive staff efforts) to non-involvement of business other than nominal membership on the manpower advisory council. The level of conflict in the prime sponsorship is a measure of the nature and extensiveness of manpower-related disagreements within the prime sponsorship. This measure also serves as a rough indicator of the staffs' ability to control conflict with existing conflict resolution strategies. Unfortunately, we do not have an alternate measure of conflict resolution capabilities available. The ratings range from high to low conflict, reflecting a broad systemwide assessment of conflict over manpower issues in general, rather than conflict over specific single issues or decisions. (This measure of conflict is broader than the measure of conflict used in the previous section of report on planning systems, where conflict assessments were restricted to conflict engendered by specific decision areas.) In general, relations with external actors are moderately manipulable by the staff.

Table 10 presents the relationships between the management variables and performance variables (using the on-site quarters only) for the planning sites. Additional analyses of these relationships were conducted by subsetting our sites according to the type of planning system. Subsetting by future orientation proved fruitless because of the small number of cases and the extremely small amount of variation among them. Subsetting by operations management oriented sites and future oriented sites together while excluding the crisis management site affected the results enough to warrant presentation and discussion of the differences. We did not do great violence to the analysis by failing to pursue the differences between future oriented and operations management sites separately, both for the methodological reason cited above and because the two groups are considered to be similar in terms of management capabilities. The important difference with respect to management capabilities is between the crisis management model on the one hand and the future oriented models on the other. The crisis management site was characterized by a breakdown in management capabilities and control, while in the Operations Management and future oriented systems, management capabilities remained intact and able to cope with external pressures.

In general, the table shows that the management of 12 prime sponsorships combined are more strongly associated with the nonpositive termination rate than were the unemployment rate, program mix expenditures, or participant characteristics, and that the management variables help to decrease the nonpositive termination rate. The management variables showed almost no association with the cost measures, and therefore the cost efficiency measures of performance were not included in the table for the sake of brevity. The characteristics of the staff were the most strongly associated with the placement measures and the nonpositive termination rate, followed by the extent of business involvement, the quality of monitoring, the degree of program integration, and the quality of evaluation.

Among all 12 planning sites, Table 10 shows that both the quality of top staff and the quality of all staff had an identical, positive association with the two measures of placement. Quality of top staff and of all staff were only weakly associated with increases in the overall placement rate (r's = .26 and .27), but these factors were significantly related to the placement efficiency measure (both r's = .42). These results reinforce our earlier findings (Ripley and associates, 1978) and the common sense expectation that the nature of the people in the prime sponsor staff does affect the nature of program performance. Directors have good reason, therefore, to seek to enrich staff competencies through use of management courses and in-service training courses for their staff members.

Table 10: Bivariate Relationships Between Management Variables and Performance for the 12 Planning Sites, and the Planning Sites Excluding Denver, On-Site Quarters 1/

	12 Planning Sites 2/			Planning Sites Excluding Crisis Management Site 2/		
	PLRATE	PLEFFIC	NPTRATE	PLRATE	PLEFFIC	NPTRATE
Staff Characteristics						
Quality Top Staff	.26	.42	-.30	.27	.53	3/
Quality All Staff	.27	.42	3/	3/	.59	3/
Administrative Characteristics						
Programmatic Integration	3/	.36	-.29	3/	.47	3/
Administrative Integration	3/	3/	-.43	-.22	3/	-.26
Operating Responsibility	3/	3/	3/	3/	3/	3/
Use of RFP's	3/	3/	3/	3/	3/	.20
Quality of Monitoring	3/	.35	-.32	3/	.64	3/
Quality of Evaluation	.28	3/	-.27	3/	.26	3/
Relations with Others						
ES Role	3/	3/	-.32	3/	3/	3/
Business Involvement	.31	.38	3/	.21	.36	3/
Level of Conflict	3/	3/	3/	3/	3/	-.29

1/ Number of observations is 35 for all 12 sites, and 32 for the subset that excludes Denver.

2/ $ENROLL and $PLCMT were not presented due to the low number of significant relationships (five).

3/ Indicates the Pearson r correlation coefficient was less than the cutoff of .20.

Many of the program and planning characteristics in the 12 prime sponsors were associated with placement or nonpositive termination performance. Programmatic integration (the extent to which participants move within Title I components or between titles) was fairly strongly related to improved placement efficiency (r = .36) and was somewhat related to better performance on nonpositive terminations (r = -.29). The quality of monitoring, an important part of the operations management and the future oriented planning systems, was fairly strongly related to improved placement efficiency rates (r = .35) and to better performance on nonpositive terminations (r = -.32). The quality of evaluation, another characteristic of planning systems, was related to placement and nonpositive terminations, although not as strongly as the preceeding factors (r = .28 for overall placement rate and -.27 for nonpositive terminations). The nature of evaluation was not related to the placement efficiency measure, however. These results suggest that the prime sponsorships in our study were able to improve placements, particularly indirect placements, and to decrease nonpositive termination rates, by exposing participants to a variety of CETA services rather than just one activity, and by rigorous monitoring of subcontractors. The bivariate correlations did not reveal relationships between placement rates, or nonpositive terminations and other features of planning systems, including use of RFPs, operating responsibility (in-house delivery vs. subcontracted delivery of services) or administrative integration of titles. (Administrative integration was fairly strongly associated with decreasing nonpositive termination rates, however.) Rather than concluding these factors are not important or are not related to performance, it is more likely that their effects are indirect, and are being masked by other variables.

Of the indicators of prime sponsor relations with external actors, only the level of business involvement was associated with the placement performance. In those prime sponsorships where the staff had solicited and obtained an active role for the private sector, placement performance tended to be better (r's were .31 and .38). A close working relationship with business can contribute to better placement in at least two ways. First, by gaining direct access to the private sector labor market through involvement of local businessmen, placement performance is enhanced, and second, by using the labor market information gleaned from business contacts CETA planners are better able to develop training programs that more closely reflect employment opportunities in the local labor market. The use of ES as a subcontractor and the level of manpower related conflict in the prime sponsorship were not associated with placement performance in the 12 prime sponsors, although there was a moderately strong tendency for the prime sponsors that used ES extensively as a subcontractor to have better nonpositive termination rates than prime sponsors that did not use ES as heavily.

There were few relationships between any of the management indicators (including some planning system characteristics) and performance on the cost efficiency measures. The quality of monitoring showed a weak association with higher costs per enrollee (r = .27), and in the prime sponsors with high business involvement the cost per placement tended to be lower (r = -.30). The level of manpower related conflict in the prime sponsorships was surprisingly associated with better performance on both of the cost measures, and the associations were moderately strong (r's = -.36 and -.30).

While the above conclusions, derived from analysis of all planning sites, generally hold up when the analysis is repeated while excluding the Crisis Management site, some noteworthy differences do occur. The relationships between staff quality and placement efficiency are enhanced (from about the .4 level to between .53 and .59), though the relationship with NPT is reduced to insignificance. A similar pattern holds for the relationship of program integration with PLEFFIC and NPT. The relationships of administrative integration, quality of monitoring, quality of evaluation, and ES role with NPT also follow the same pattern. The most striking difference between the two samples is in the difference between the quality of monitoring and PLEFFIC relationships. The magnitudes of the coefficients increases from .35 to .64, the largest in Table 10. This dramatically underscores the importance of good monitoring. Finally, the relationships business involvement and the level of conflict with cost per placement are reduced to insignificance.

In summary, the differences between the 12 planning sponsorships contrasted with only those whose management systems are functioning adequately lie primarily in the stronger relationships for the latter group between management indicators and the placement measures, especially PLEFFIC, and the general decrease in the relationships involving NPT.

D. RELATIONSHIPS BETWEEN PLANNING SYSTEMS AND PERFORMANCE

Expectations of Relationships

In general, assuming that the contexts and implementation factors are relatively similar, we would expect that those prime sponsors operating with a Crisis Management planning system would demonstrate worse performance figures than prime sponsors operating with either an Operations Management or a Future Oriented planning system. The net effect of unstable influence relationships, unmanaged conflict, a lack of routine in decision making, and a dysfunctional feedback system is the generation of poor and inappropriate planning decisions. These decisions, in turn, will probably lead to negative effects on program performance. For example, in a prime sponsor with unstable influence relationships and unmanaged conflict, the staff may have difficulty in achieving congruity in planning decisions and flexibility in adapting to change when necessary. The service deliverer decisions may reflect this difficulty. When it becomes clear that certain service deliverers should be dropped or cut back because they refuse to change their programs to keep abreast of the changing job market demands, the staff may be unable to act because of the entrenched strength of the existing service deliverers. In this situation, the decision may be made to keep them and their services. If the situation persists, both lower placement and placement efficiency rates can result.

Serious performance problems would also be expected to result in a Crisis Management site because of the lack of a functional feedback system. This may make both service deliverer evaluations and target occupation decisions particularly difficult. Without an effective monitoring operation, the quality of training may decrease without staff detection. Consequently, without corrective action, ill-prepared clients will emerge and placement rates and quality of placements could be damaged. In addition, without a feedback system that keeps abreast of the changing nature of job occupations available in the area, the target occupation decision may often be outmoded and inaccurate. Consequently, the training programs that are designed on the basis of this identification will provide people with skills that may be difficult to market. Thus, placement rates and the quality of placements would be predicted to decline.

In general, we would not predict much difference in the performance measures between sites that fall into the Operations Management or the Future Oriented planning systems. In these sites, the decision making processes for planning are basically the same. Stable and well-oiled operations with functioning feedback systems that do supply important information in a timely fashion would be in place. Well thought out planning decisions should result and the performance consequences should be positive.

However, as the discussion below illustrates, there is some evidence to indicate that the future oriented sites performed slightly better, on the whole, than the operations management sites. We would like to suggest that these differences could, in part, be explained by the presence of distinct forms of job market feedback mechanisms that appear in the future oriented sites. While all details of these mechanisms could not be explored, we did observe that the mechanisms focused particular attention on involving the business community. Rough indicators show that the future oriented sites did have higher and more explicit business involvement than other sites. The form of this involvement varied. In Baltimore, formal Labor Market Advisory Councils were established as the institutionalized link with the private sector. In Penobscot, the mechanism was more informal. In addition to utilizing job developer information, the director keeps abreast of business activity by attending Chamber of Commerce and Rotary Club meetings in the area.

While conclusions from these few examples can only be tentative, we would like to suggest that the examples indicate the usefulness of institutionalizing relationships with the business community. Certainly the correlations between business involvement and placement rates, presented in Table 10, supports this. This relationship can be utilized not only for job placements but also for longer term forecasts of labor demands. (From this perspective, the purpose of Private Sector Incentive Program, with its PIC council, makes sense. How well it works in practice, of course, remains to be seen and depends, at least in part, on the details of implementation in prime sponsorships.)

Observed Relationships Between Planning Models and Performance

Examination of performance data for each of the twelve sites and each of the three planning models reveals general support for the expectations suggested above. In general, Denver, the Crisis Management site, compared unfavorably with the other sites and models using standard measures of performance. (Data about Denver is only presented here as being suggestive of what might be found in other sites fitting the crisis management description; in no sense is it predictive or generalizable since it is only one case.) In general, the Future Oriented sites performed somewhat better than the Operations Management sites but the difference is not great, and if the sites are examined individually (Tables 11 and 12), a good deal of variation among sites emerges.

Table 11 shows, for example, that although the Future Oriented sites, on the average, performed better than the Operations Management sites across all five measures there are Operations Management sites that performed equally well (for example, San Francisco and Bergen County). Additionally, there is at least one Operations Management site that more closely resembled Denver that the other Operations Management sites (i.e. Omaha) along the selected standards of performance.

If each of the sites is examined for each of the quarters in which the study took place (12/77-6/78), much the same pattern is present (Table 12). There is little difference between the Future Oriented and Operations Management sites, and there is a rather extensive variation within the models, especially within the Operations Management model. In general, the Future Oriented and Operations Management sites (with the notable exception of Omaha) show a pattern of improved performance on the

78

Table 11: INDICATORS OF PERFORMANCE FOR PLANNING PRIME SPONSORSHIPS, JUNE 1978

Prime Sponsor	PLRATE	PLEFFIC	NPT	$ENR	$PLCMT
Future Oriented					
Baltimore	46	20	14	$633	$1378
Penobscot	31	23	21	$997	$3266
Syracuse	43	21	14	$1306	$3059
FO Average	40	21	16	$979	$2568
Operations Management					
San Francisco	43	25	20	$1431	$3332
Bergen County	39	26	21	$1353	$3476
Gulf Coast	35	6	7	$1346	$3884
Heartland	41	6	24	$779	$1907
Atlanta	36	22	37	$1053	$2960
Omaha	25	19	30	1/	1/
Albuquerque	34	18	27	$953	$2775
King-Snohomish	28	23	18	$1675	$6027
OM Average	35	18	23	$1227	$3480
Crisis Management					
Denver	23	17	43	$642	$2808
U.S. Average	28	15	29	$1091	$3940

1/ Correct data not available.

Table 12: INDICATORS OF PERFORMANCE FOR PLANNING PRIME SPONSORSHIPS, 3 QUARTERS IN FY'78

Prime Sponsor	PLRATE			PLEFFIC			NPT		
	12/77	3/78	6/78	12/77	3/78	6/78	12/77	3/78	6/78
Future Oriented									
Baltimore	28	40	46	12	17	20	15	17	14
Penobscot	17	23	31	13	18	23	17	19	21
Syracuse	21	33	43	11	16	21	9	12	14
Operations Management									
San Francisco	24	37	43	14	23	25	25	21	20
Bergen County	20	32	39	14	22	26	19	18	21
Gulf Coast	16	27	35	2	4	5	5	6	7
Heartland	27	36	41	2	4	6	19	24	24
Atlanta	19	30	36	12	17	22	35	38	37
Omaha	25	35	25	19	24	19	30	30	30
Albuquerque	15	26	34	7	12	18	19	22	27
King-Snohomish	13	22	28	11	18	23	25	15	18
Crisis Management									
Denver	23	31	23	19	24	17	32	33	43

three measures, particularly on placement rate (PLRATE) and placement efficiency (PLEFFIC), while Denver shows an erratic and generally declining pattern of performance.

Table 13 compares the Future Oriented and Operations Management model averages for three standard indicators of performance during FY 78, and shows a statistically significant difference between the models on placement rate, placement efficiency, and non-positive termination rate (i.e., if other sites were studied and placed in the models, there is better than a random chance that similar differences in the performance indicators would be present.) Denver is not compared statistically to the other two models because it is impossible to argue that it is statistically representative of other Crisis Management sites (mean performance indicators are simply presented to provide rough comparison with other models).

One of the features differentiating the Future Oriented sites from the Operations Management and Crisis sites is a deliberate long-range programmatic orientation. Future Oriented sites make program decisions based in part on how they want their manpower delivery system to perform several years from the time the decisions are made. Table 14 presents some data on change in three performance measures, change that is at least partially attributable to differences in the planning models. The Future Oriented sites show the most improvement in placement rate and in placement efficiency, while Operations Management sites improve to a lesser extent, and the one Crisis Management site shows a decreasing performance on all three indicators. Although the Operations Management sites show more substantial improvement on non-positive terminations (NPT), the Future Oriented sites performed at a higher absolute level in 6/78, which could possibly be an optimal level of performance. By 6/78, the Future Oriented sites were showing the msot positive level of performance on all three indicators, and Denver was showing the most negative level (both in absolute level of performance and in the amount of change from 6/76).

The results of planned versus actual comparisons on selected measures for the 6/78 quarter are shown in Table 15. They substantiate the expectation that program performance in a Crisis Management site will not be as good as performance in either the Operations Management sites or the Future Oriented sites. The data do not reveal any systematic difference in the performance of the Operations Management sites as compared to the Future Oriented sites. Generally, both the Future Oriented and Operations Management sites came very close to meeting their planned goals of enrollments, expenditures, placement rates (PLRATE), placement efficiency (PLEFFIC), and non-positive terminations (NPT)--varying from the planned figures by no more than a few percentage points. Denver, on the other hand, varied from its planned rates of achievement by as much as 26% (enrollments), and varied from at least three other of its goals by a minimum of 17%.

Summary. As expected, the evidence discussed above indicated that the Crisis Management site had poorer performance scores than either the Operations Management sites or the Future Oriented sites, regardless of how performance was measured or analyzed. Using the standard indicators of performance, the Crisis site generally showed the worst performance of any of the twelve sites, moving from reasonably good performance in FY 76 to unsatisfactory levels of performance, and showing extensive deviation from its planned performance levels.

Also, as expected, there was little difference between the performance levels of the Operations Management model and the Future Oriented model. Taken separately, the sites exhibited wide-ranging performance levels with

Table 13: A Comparison of FY 78 Performance for Planning Sites, by Model

Sites	PLRATE	PLEFFIC	NPT
Future Oriented (N=3)	31.3% 1/	17% 1/	15% 2/
Operations Management (N=8)	28.5%	15%	22%
Crisis Management (N=1)	26%	20%	36%

1/ Using a one-tailed T-test, this difference is statistically significant at .0005 level.

2/ This difference is statistically significant at a .005 level.

Table 14: Change in Performance Indicators, 6/76 to 6/78, for Planning Sites, by Model, and U.S. Average

Model	PLRATE			PLEFFIC			NPT		
	6/76	6/78	Change	6/76	6/78	Change	6/76	6/78	Change
Future Oriented Sites (N=3)	23	40	+17	11	21	+10	25	16	-9
Operations Management Sites (N=8)	31	35	+4	19	18	-1	37	23	-14
Crisis Management Site (N=1)	54	23	-31	26	17	-9	25	43	+18
U.S. Average	22	28	+6	11	15	+4	32	29	-3

Table 15: Comparisons of Planned vs. Actual Performance on Selected Indicators for 6/78 for the Planning Sites, by Model

Measure	Operations Management (8 sites averaged)	Future Oriented (3 sites averaged)	Crisis (1 site)
Percent of Plan Achieved, Total Enrollments	95%	97%	126%
Percent of Plan Achieved, Total Expenditures	96%	93%	80%
Planned PLRATE vs. Actual PLRATE	4 percentage points less than plan	1 percentage point more than plan	19 percentage points less than plan
Planned PLEFFIC vs. Actual PLEFFIC	4 percentage points less than plan	5 percentage points more than plan	1/
Planned NPT vs. Actual NPT	1 percentage point less than plan	1 percentage point less than plan	17 percentage points more than plan

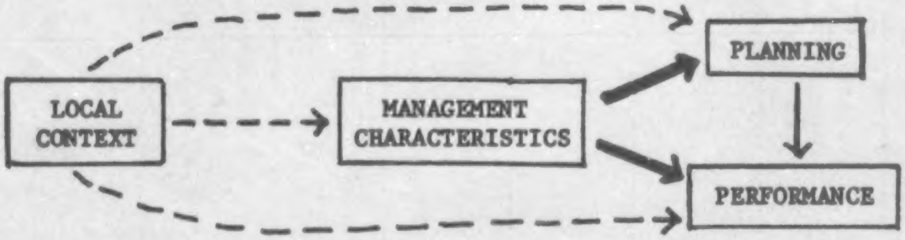
1/ Data not reported for planned figures.

some Operations Management sites looking more like Future Oriented sites than the rest of the Operations Management sites, and with other Operations Management sites looking more like what is expected from a Crisis Management site. Taking each model as a whole, small, and sometimes significant, differences were found on the selected measures of performance with the Future Oriented model usually showing a stronger level of performance when compared with the Operations Management model. The Future Oriented model also seemed to be most able to effectuate substantial change in performance by surpassing the rates achieved by the Operations Management model. Sites using both models were clearly able to perform at about planned levels.

E. CONCLUSIONS

Summary

In the preceding sections, we have systematically investigated the relationships between indicators of local context, management characteristics, and planning with indicators of program performance. The diagram below summarizes the general relationships that we have found in the 12 planning sites. The broken lines indicate that the relationships were only weak or nonexistent; the solid lines indicate that a definite relationship was present. (These relationships are consistent with previous findings reported in Ripley and Associates, 1978.)



As in Section II, where we saw that the staff was able to control the nature of their planning systems by conscious manipulation of selected elements of their management environment, the most striking theme emerging from the analysis of program performance is the degree of control that prime sponsor staff can exert over their program performance. If we classify the indicators of context and management characteristics in terms of the extent to which the staff can directly control or shape them, a very interesting pattern emerges. *The explanatory factors that are more manipulable by staff are the ones that tended to be most highly associated with performance variations in a positive way, whereas the explanatory factors over which the staff can exert less direct control were* ***not*** *strongly associated with performance variations.* This evidence suggests strongly that prime sponsors seeking to improve their program performance can do so by focusing and directing attention on manipulable elements of their local environments, especially on elements of management. Program performance can be improved in this manner. Improvements in program performance are not much constrained by less manipulable elements of context such as economic conditions and demographic characteristics, despite the contrary assertions of conventional wisdom.

The factors that we found to be most strongly associated with better performance were the quality of the staff, the nature and extent of business involvement, and the quality of monitoring. All of the factors are highly manipulable by staff. We would encourage any prime sponsorship seriously interested in improving program performance to take steps in these areas.

Quality of staff can be improved through such measures as engaging in very deliberate and careful hiring decisions; providing in-house training (available from CETA consultants and DOL seminars, for example); exposing key professional staff to all parts of the local manpower delivery system's administration (thus fostering diversity in staff experience); temporarily exchanging staff with other prime sponsors or with local delivery agents; and granting staff time off for formal education leading to professional development.

Quality of monitoring can be strengthened in a number of ways, including: clear assignment of a staff person to each subcontractor (to give the deliverer a direct liaison to the staff); regular visits to subcontractors (twice a year at least); frequent (daily or weekly) telephone contact between the staff monitor and the subcontractor (keeping the lines of communication open); inclusion of other staff, especially planners, and advisory council members on monitoring visits to subcontractors; regular, routine feedback sessions where the data gathered through monitoring is shared with the service deliverers; and implementation of a review mechanism to assure that corrective actions have been satisfactorily made. A strong data base is essential to good monitoring and making intelligent followup decisions that are credible both on programmatic and political grounds.

The involvement of the business sector in prime sponsors' manpower programs is of course one of the aims of the new Title VII Private Sector Initiative Program. While the role of business was not a concentrated focus of the present research, we do have good evidence that such involvement can result in good program performance. Some of the ways prime sponsors can strengthen ties with business are by developing systematic contacts with business, of both a formal and informal nature; keeping abreast of local employers' plans for hiring, firing, occupational needs, and their projections of labor market changes; maintaining an active and energetic public relations campaign with the business community to make business managers and personnel managers aware of CETA and to encourage them to hire CETA graduates through the use of slides, movies, speakers, and political officials.

One concrete way of involving business (which does not depend on PSIP) is for a prime sponsorship to ask certain businesses to review their training programs, to assess their procedures for placing participants in the private sector, and to tell them systematically about their experiences (including problems) with OJT and other CETA programs. This charge would be clear and specific and would ask business representatives for advice in areas they presumably know best. A considerable amount of general intelligence of value to the prime sponsorship staff could be gleaned from developing this kind of informational relationship.

IV. EXEMPLARY APPROACHES TO CRITICAL ELEMENTS OF PLANNING AND MANAGEMENT

This section moves away from a focus on general patterns found by analysis to a focus on concrete examples of different productive approaches to planning and management elements. We intend this to give additional substance to our discussion. We have drawn not only on examples from the 12 planning sites but also on selected examples from other prime sponsorships in which we have done field work in recent years. This discussion is not intended to suggest that there is only one "correct" way to undertake any particular feature of prime sponsorship management and planning. However, we feel that presenting brief descriptions of approaches that have worked well in specific instances will help generate ideas in other prime sponsorships about alterations that might be worth trying.

Seven elements of planning and management will be addressed:

1. Manpower Planning Councils
2. Monitoring and Evaluation
3. Universe of Need and Target Groups
4. Intake and Assessment Strategies
5. Labor Market Analysis
6. System Design: Service Deliverer Selection, Service Delivery Systems, and Performance Contracting
7. Participant Placement Strategies

In the discussion of each of the seven areas we will use a similar format. The key issue concerning the area will be defined and the advantages and disadvantages of the approaches will be outlined. We will consider the critical tradeoffs in pursuing any alternative that we suggest. The general introduction will be followed by a brief description of approaches employed by one or more prime sponsors.

We do not view this as a technical assistance guide. Such guides are already available and prime sponsors would be well advised to read them. But, detailed "how to" guides tend to suffer from a common limitation: they assume that prime sponsors primarily face technical problems that can be solved with the application of knowledge. Our research on prime sponsors indicates that the availability of technical knowledge and competence, while important, is only one factor that explains the prime sponsor's approach and degree of success with CETA program planning and management. Consequently, our discussions attempt to take into account the impact of the CETA prime sponsor's environment with its range of organizational and political forces that impinge on decisions. Our central purpose is to help clarify the choices that prime sponsors have and to demonstrate the utility of various approaches that have been successfully implemented in specific cases.

A. MANPOWER PLANNING COUNCILS

CETA legislation and regulations suggest broad and ambiguous roles for manpower planning councils (MPCs). They are supposed to assist prime sponsors in planning, evaluation, and identification of job opportunities. Groups that should be included on councils are listed. It is noted that MPCs should be advisory to the chief elected officials in the prime sponsorship.

Given this broad mandate, it comes as no surprise that the role and impact of MPCs varies widely throughout the CETA system. Indeed the involvement of MPCs ranges from near total control of the CETA programs in a few prime sponsorships to a mere "on paper" existence in others. Membership, structure, frequency of meetings, and functions performed are also quite variable.

Under certain conditions, MPCs can be very effective manpower planning and evaluation tools, which are most helpful to prime sponsor staffs. Many prime sponsors that initially minimized MPC participation have come to realize their potential substantive and political utility. This section outlines some of the advantages and disadvantages of MPCs and the conditions under which they will be most useful.

We have observed MPCs functioning as useful and productive organizations in the following substantive areas:

- selection of service deliverers, including the review of RFPs and the selection of PSE projects;
- the analysis of Labor Market conditions for selection of training components (described in more detail in the section on labor market analysis below); and,
- monitoring and evaluating operational programs.

MPCs are generally not as useful in some other areas of CETA program planning and management, but may be in some individual circumstances.

Several valuable functions that may be performed by MPCs provide further justifications for using them. MPCs can be helpful by:

- providing additional information on factual questions and alternative perspectives on how to design and assess manpower programs;
- providing feedback from outside the CETA system on how the program is perceived and interpreting the program to various constituencies;
- legitimizing the decisions of the staff and elected officials and acting as a political buffer when particularly difficult choices must be made, and;
- increasing public confidence in CETA programs by insuring accountability.

Naturally, these reasons, which are often cited for using MPCs, are seldom disputed. However, there are often instances when planning councils tend to work in the opposite and negative direction. Among the problems that we have observed with some planning councils are the following:

- MPC meetings can be occasions for self-serving log rolls by the members to make sure that they get a "piece of the action."

- MPC members can become so involved in the details of the prime sponsor's activities that they unnecessarily interfere in what should be basic management decisions--such as personnel and office reporting responsibilities.

- A great deal of time may be wasted on inane debates over trivial matters.

- High turnover of MPC members can lead to constant "orientations" of new members and revisiting overworked questions by new members.

How can MPCs be made effective? Under what conditions will they provide productive adjuncts to the overall planning and management capacities of the staff? The basic answer is that the staff must get and keep the right members on the MPCs, structure the council effectively to take advantage of their skills and limited time, know what decisions they can really help with, and provide the information necessary for making those choices.

Membership of MPCs: Selection, Retention, Proper Use

Getting the right people on MPCs and keeping them on is the most important condition that must be met if the councils are to be helpful rather than harmful to the prime sponsorship. One generally knows who the "right" people are: concerned, dispassionate individuals who represent major public and private interests within the prime sponsorship. But how does one get these people to serve on the MPC? In order to get solid people on the MPC and to retain them on it a few conditions must be met.

First the MPCs must be given substantial responsibilities that are clear cut and meaningful. Busy people (usually the most desirable members) will not sit still for trivial or perfunctory discussions--at least not on a volunteer basis. Staff directors frequently complain that their council's membership "just isn't interested in CETA programs." This may be true because the members see no self-interest in it, or because prime sponsor staff has made the MPC so insignificant that only those with generally nothing better to do will continue to participate. In other words an uninterested and volatile membership may be caused by the prime sponsor staff's poor handling of the council.

Second, council members are selected to represent a variety of political and substantive interests (such as those of education, business, labor, and minorities). The specific person that is chosen to represent each of those interests should be chosen with utmost care. They should be selected according to their reputation for consistent participation in other groups and for their willingness to delve into the council's tasks. Not every member of the council has to be a perfect participant, but a critical mass of members who will shoulder the collective burden of council activities is essential. In selecting members for the council, the chief elected officials can play an important role by providing information about the general competence of community and civic leaders and by giving visibility to their appointment and thus creating an incentive for the best potential members to agree to serve.

Third, it is often unwise to put major service deliverers on the council as voting members. A couple of points in this statement deserve emphasis. We say "major" deliverers because we do not mean to rule out all recipients of CETA services and dollars: in some communities such a stringent rule would eliminate practically anyone who the staff would want to involve. But deliverers who have large contracts to run programs should be prohibited both from voting on all contract decisions and from joining into discussions of such decisions.

The involvement of service deliverers at some stage of the council's deliberations is important. Perhaps a subcouncil of operators should be established to work on the day-to-day problems of coordination and service delivery; but their direct involvement in selection and evaluation decisions will all but insure that the real decisions will not be made in the MPC or should not be made there. In fact, the membership of service deliverers on the MPC and the subsequent and predictable self-interested strategies that they employ is frequently the justification for not using the MPC in decision-making. Our suggestion is to change the membership of the council rather than ignore a potentially useful part of the manpower system.

Council Structure

The structure of MPCs is important because if done properly it will help improve the retention of good MPC members and will take advantage of their areas of expertise in a more productive way than if they all meet together every session.

MPCs should be subdivided into working subgroups that allow for the division of labor. While the names can vary and to a certain extent the functions will overlap, we have found that most councils should have subgroups working on the following identifiable tasks.

a. Labor market analysis and private sector involvement (this could be a PIC now)

b. Monitoring and evaluation of all CETA programs

c. Selection of service deliverers

d. Selection of PSE projects and/or job "slots."

Each subgroup of the full council should be composed of people who bring genuine expertise to the group. They should be aided by appropriate staffers from the prime sponsorship. The real work of the MPC should take place in these committees and the general norm of the full council, which should meet less frequently, should be to defer to the recommendations of the subgroups. The full council's business should be to review the work of the subgroups to consider matters of general policy.

Staff Support for MPCs

If the MPCs are to be useful, they must be supported by the prime sponsor staff. The MPCs principle need from the staff is information provided in a timely manner. Even the most committed volunteer member needs information from the staff. The better members will be inquisitive and request additional information or may suggest deficiencies in the information provided, but they also expect the staff to provide baseline information.

It is not our view that the MPC should have a separate staff working exclusively for them. Rather, the MPC should have access to appropriate staff members for the specific tasks that they have been assigned. There should be one senior person on the CETA staff that handles the general direction of MPC input, but separate staff is not necessary and could well produce new problems that are unnecessary and unwarranted.

In short, MPCs can perform several important tasks and functions for CETA planning and management if the several conditions mentioned above are fulfilled. MPCs must be composed of the right members and those members must stay on the council, they must be structured effectively to take advantage of the member's expertise, and the staff support for the council deliberations must be provided. Councils should not be run by the staff nor run the staff, but they do have a useful role to play in the CETA system.

Some Examples

Three excellent examples of planning council participation will be described below: San Francisco, Atlanta, and Penobscot Consortium. Baltimore's creative use of Labor Market advisory councils is discussed in the Labor Market Analysis section of the report.

San Francisco, California. The San Francisco CETA program is administered by the Mayor's Office of Employment and Training. Decision-making patterns in the San Francisco CETA program reflect the local norm in city government that encourages public participation. Neighborhood based agencies in the city are highly politically sophisticated. The base Title I allocation is about $8 million.

The Manpower Planning Council (MPC) members that are appointed by the Mayor represent numerous constituencies--ethnic, racial, and geographic.* While all MPC members have not been equally dedicated, the council as a whole can be characterized as aggressive and knowledgeable about CETA. The council is chaired officially by the Mayor, but the alternate chairman who always presides as a senior member of the Mayor's staff. The CETA planning staff provides support for the council.

The San Francisco MPC vigorously reacts to, debates, and initiates planning recommendations and decisions in several areas of responsibility: program design, evaluation of RFP proposals, and evaluation of subcontractor performance.

The program design details into which the council has major input include: 1) the percentage of funds allocated to each Title I program activity, such as classroom training, OJT, and so on; 2) the identification of special target groups and the percentage service goals for each group; and 3) the establishment of overall performance standards for the manpower delivery system, including number served, placement rates, and cost per placement.

The MPC also reviews and evaluates responses from potential contractors to staff requests for proposals. They play a major role in selecting the subcontractors whose mix of proposed services, budget, and target groups will fit the specifications of the overall program design.

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* Note that this discussion focuses on the San Francisco MPC before a very recent reconstitution of it.

The MPC's most important task is its evaluation of subcontractors. The semi-annual evaluations are connected with the evaluation of RFP responses. Staff monitors who are assigned to each subcontractor write operations overviews that incorporate their personal observations, MIS reports, program plans, and other program data. The monitor also completes a standard Monitor's Review form that details program activities. Finally, each subcontractor prepares a self-evaluation report. All of these documents discussing the programmatic, fiscal, and administrative activities of the subcontractor are submitted to the MPC. The council holds public hearings on program performance and identifies problems in subcontractor performance for staff follow-up. The results of the evaluations are used extensively in refunding decisions.

Atlanta, Georgia. The Atlanta CETA program is administratively located in the city's Department of Community and Human Development, but the Director of CETA reports directly to the Mayor. An outstanding feature of the prime sponsorship, whose Title I program is now about $5 million, is its openness in CETA decision-making. The primary vehicle to achieve this is the 35-member Employment and Training Advisory Council (ETAC). Twenty-nine members of the ETAC are appointed by the Mayor upon recommendation from the staff and with the concurrence of the city council. The remaining six members are appointed directly by the city council with the approval of the Mayor. The only city employee that may serve as an ETAC member is the Director of the Bureau of Personnel. New members are given a one-day orientation by CETA staff.

The ETAC considers and influences decisions regarding the selection of target groups and occupations, program mix, and, most importantly, service deliverers. The ETAC is very active and its by-laws provide for dismissal from it if a member fails to attend two-thirds of the monthly meetings over a six-month period. A one-week notice and an agenda is required before an ETAC meeting can be held. Notices of meetings are published in local newspapers.

Since virtually all major Title I functions are subcontracted in Atlanta the process of annual selection of service deliverers is a most important one. It begins when the staff distributes Requests for Quotations for desired services. The RFQS specifying detailed program requirements are widely distributed to a bidder's list and advertised in major newspapers.

Funding recommendations are prepared in subcommittees of the ETAC, which are constituted to ensure freedom from conflict of interest. Using formal ratings, the subcommittees award each proposal points in areas of demonstrated effectiveness (such as placement success), professional qualifications, planned performance standards, cost-effectiveness, and supportive services and facilities. The individual proposals are ranked in comparison with one another and submitted, along with a recommendation, to the full council. Subcommittee rankings are generally accepted by the full body, and reconciled into an overall package during a meeting with the staff. The staff departs from the session with the MPC with a priority designation on each proposal being either a "must fund," a "fund if possible," or a "don't fund."

There seems to be a genuine give-and-take between the council and the staff. While the staff has ample opportunity to try to sway the decisions of the council, they tend to limit their influence to those issues directly related to the performance and survival of the system as they view it. Not the least among their motives is the recognition that the ETAC is a valuable buffer between them and disgruntled bidders, but would soon cease playing that role if it began to be perceived as a rubber stamp manipulated by the staff.

Penobscot Consortium, Maine. The Penobscot Consortium Training and Employment Administration operates under the jurisdiction of a Consortium executive board, which is composed of the six county commissioners from Penobscot and Hancock Counties. Not nearly as large as the first two prime sponsors discussed above, the consortium's Title I allocation is slightly over $1 million.

There are two advisory councils: one serves Penobscot County; the other serves Hancock County. Members come from a broad range of backgrounds--ES, vocational schools, community colleges and universities, social service agencies, community based organizations, business, labor, and participants. Membership has been stable and both the staff and the council agree that the council is knowledgeable about CETA programs. Some council members represent agencies that have submitted proposals for PSE positions, but the council is not dominated by groups that are singularly interested in securing CETA funds for their agency or group.

While the County Commissioners appoint the council chairs, and often attend council meetings, they rarely participate actively, and in no way dominate council proceedings. The entire council meets monthly and subcommittees at least one additional time each month. The councils' three subcommittees handle Title VI project proposals, new programs, and monitoring and evaluation. Its most important role has been in Title VI project selection.

An ideal opportunity for the staff to foster citizen participation came in the form of the Title VI project funding decisions because the staff recognized the great potential for conflict and outside pressure. Agencies throughout the consortium area were invited to submit project proposals for Title VI funding. These proposals were collected by the staff and, after a very brief review, passed along to the subcommittees of the advisory councils. Subcommittee members spent long hours formulating project funding recommendations. The subcommittees established their own funding criteria and evaluated the proposals themselves. They also held public hearings so that project advocates could offer further support for their proposals. During this process, staff support was available, but the councils and the subcommittees were the key actors. The final council recommendations were well received by the staff and the county commissioners and faithfully implemented.

B. MONITORING AND EVALUATION

Monitoring and evaluation are important components of management and planning in a CETA prime sponsorship--a statement with which few would disagree in the abstract. Problems enter in when prime sponsors debate how much resources should be devoted to monitoring and evaluation and the purposes that should be accomplished with the monitoring and evaluation effort. This section of the report will discuss the use and misuse of monitoring and evaluation and how to mount relatively simple and inexpensive approaches that are nonetheless quite effective.

Monitoring and evaluation are related, but different, enterprises. Monitoring focuses on operational questions--keeping track of the system. It should be "present" oriented and provide feedback immediately into the system. Evaluation, on the other hand, examines the impact of a particular program component. Such questions as placement rates, cost-per-placement, wages obtained and length of employment of those placed form the heart of evaluations. Almost all prime sponsors conduct some sort of monitoring. Only a minority undertake evaluations.

It is important to point out that in order to conduct effective monitoring and evaluation a reliable management information system must be established. Without information on the performance of the programs that has been systematically collected by the prime sponsor staff, it is virtually impossible to conduct useful evaluations. The MIS has to be designed not only to fulfill minimum federal reporting responsibilities, but also to provide information that will allow senior staff to answer the kinds of evaluative questions in which they are interested. A thorough discussion of MIS is beyond the scope of this report, but it is essential to design an MIS with questions of monitoring and evaluation in mind.

The Use and Misuse of Monitoring and Evaluation

A fundamental distinction that must be made in evaluation is whether a program is already in operation or whether consideration is being given to starting a program. The analysis required for making good decisions about which program to operate are very different from the requirements for evaluating programs that are already operational. We will focus on evaluating programs that are already in operation. In such cases the interest is more upon the improvement of services rather than upon evaluating whether or not a service is worth keeping. In other words, most prime sponsors are probably going to continue to operate vocational training, work experience, public service employment, and OJT programs. The key questions are "How can our programs be made better?" "How much money should we spend on each one?" and, "Which agency can best deliver the service?"

In order to find out how to improve programs the prime sponsor staff must monitor them on a regular systematic basis, and then pull together that information to determine corrective action and technical assistance.

Monitoring and evaluation can serve several functions:

1. provide regular feedback on the operation of programs, agencies, and personnel.

2. determine the nature of corrective action to improve programs, including termination if necessary, but, more typically, changes in their design, and/or the approach of personnel.

3. help clarify and re-examine the objectives and underlying assumptions of the programs.

4. develop a more critical attitude among prime sponsor and subcontracting agency personnel, which should include opportunities for them to suggest ways of improving services.

5. increase staff morale and commitment as a consequence of the attempts to improve the program.

There are also a number of what Edward Suchman (1970) has labeled as "pseudo-evaluations." We have observed instances of Suchman's five categories of such specious enterprises:

1. Eye-wash—an attempt to justify a weak or bad program by deliberately selecting for evaluation only those aspects that "look good" on the surface. Appearance replaces reality.

2. White-wash--an attempt to cover up program failure or errors by avoiding any objective appraisal. Vindication replaces verification.
3. Submarine--an attempt to "torpedo" or destroy a program regardless of its effectiveness. Politics replaces science.
4. Posture--an attempt to use evaluation as a "gesture" of objectivity or professionalism. Ritual replaces research.
5. Postponement--an attempt to delay needed action by pretending to seek the "facts." Research replaces service.

Doing Monitoring and Evaluation: How Difficult Are They To Do?

Perhaps more troublesome than any of the "pseudo-evaluations" is the widespread absence of evaluations. The reluctance to get into the evaluation "business" has its roots in a number of apprehensions and misconceptions about program evaluation.

One frequently heard lament is "we can't do evaluations, because no one here has statistical training and even if some did the rest of us couldn't understand them." In most cases sophisticated evaluations, with elaborate quantitative manipulations and methodology, are unnecessary. Most prime sponsors need practical program evaluations that will help improve the delivery of services and the basis for choosing among alternative program mixes and service deliverers. In such evaluations, the most difficult calculations are no more complicated than balancing a checkbook and can be done on a desk calculator. Evaluations can be conducted by staff with little or no training in evaluation research if some straightforward principles of logic are followed.

The examples cited below demonstrate a range of approaches to monitoring and evaluation from the simple to the complex. Some prime sponsors look at a few performance measures and conduct qualitative reviews of subcontractor performance. Others collect and analyze mountains of information on the economic and non-economic impacts of CETA programs on participants. The extent of monitoring and evaluation conducted by any given prime sponsorship should hinge on the general availability of staff and resources to conduct them. Low cost evaluations that yield very useful information have been devised and successfully employed. Moreover, as noted in the discussion of manpower planning councils, it is possible to make use of volunteer help in conducting monitoring visits and evaluations. The nature of the evaluation effort should also be linked to the size of the program. Smaller prime sponsors may not be able to afford (or justify) large scale evaluations and should lean toward the simplest and least expensive approaches available. Larger prime sponsors may be able to afford more complex and systematic evaluations and the stakes of their programs justify larger expenditures of staff time and resources.

Some Examples

The examples in the section below discuss some useful approaches to evaluation that have been conducted in the prime sponsorships we visited. We hope that they will help deflate the myth that evaluations are too difficult, too costly, or a waste of time. In fact, we think they clearly demonstrate the utility of systematic attempts to find out "what works."

Bergen County, New Jersey. The Bergen County CETA program is operated by the Community Action Program. Most of the $5.5 million Title I program, with the exception of training courses, is operated by the agency. Although Bergen County does not have a sophisticated or heavily staffed monitoring and evaluation unit, they nevertheless successfully employ a number of useful approaches to finding out what works and how to improve it.

Most of the monitoring is done by the planning unit's senior planner for monitoring and evaluation (M&E) and his two assistants. The overall purpose of their monitoring is to assess the performance of the in-house units and the subcontractors in relation to the plan. At least once a year all components of the CETA program are monitored: the Vocational Center (run by a local school board), Adult Learning Center (run by a community college), and OJT, Work Experience, and multi-service centers (run by the CAP). As special needs (or problems) arise additional monitoring studies are conducted.

The M&E unit focuses on client satisfaction with employment and training services. All CETA participants are mailed a brief questionnaire with a standard set of questions on how they got into the program, what they gained from it, what happened to them after participation, and so on. Results are analyzed and summarized for the senior staff, the operations staff, and the staff of the subcontracting agencies. Each report includes recommendations for improvements to correct deficiencies uncovered by the poll of enrollees.

Parts of the review of agency and subcontractor performance consist of on-site visitations, interviews with the staff, and desk reviews of agency or component performance. Subcontractors are required to submit monthly reports. The vocational training program, run by an outside agency, and the OJT program, run by CAP, receive the most attention from the monitoring staff.

The most interesting aspect of the planning unit's monitoring is their work on the OJT program. One staff member is assigned solely to this task: he completes a detailed analysis of each OJT contractor's performance. Each contractor and participant is interviewed by the monitor. On the basis of these interviews, a corrective action report is prepared as necessary, submitted to the contractor, and followed-up by the same staff member. Criteria for assessing OJT contractor performance are the extent to which the employer provides the training specified in the contract and hires people that they would not have hired otherwise. The monitoring has had concrete results, allowing the staff gradually to reduce the length of training for most OJT contracts, thus freeing additional resources.

A different type of monitoring is done by the prime sponsor's advisory council, known as the ETAC. Members of the committee are given the results of the monitoring reports, but they also make on-site visits to the multi-service centers and to the major subcontractors. The ETAC is given credit for pushing the staff and the subcontractors to improve performance, particularly in the OJT area. ETAC reviews are conducted in advance of decisions about the Title I plan.

Monitoring is also done by the operations unit chief. While the planning unit examines achievement of planned levels of performance, the operations director is more interested in day to day problems. Consequently, he investigates such questions as: Are the multi-service centers properly completing the employability development plans? What is the nonpositive termination rate for each center? Each counselor? Why? In order to answer these questions, the operations director holds regular meetings with the multi-service center directors and their staffs, makes unannounced visits, and most interestingly, sends bogus clients through the system who report back to him about their treatment at the centers.

The various approaches to monitoring have an important impact on the CETA programs. The staff views their approach to monitoring as "looking for trends." There are no formal outcome evaluations, rather, the staff views evaluation as the summary of the monitoring efforts. The staff recognizes the value of more formal evaluations, but has not conducted any because their MIS has never really provided them with the kind of data that would be required to perform them.

The Bergen example illustrates that useful monitoring can be accomplished with a limited investment of staff resources, and with limited sophistication about evaluation methodology and statistics. The effect of the monitoring activities was summarized by a senior staff member: "it has been instrumental in building a level of accomplishment. Over time, we have used the reports to gain an increasingly objective sense of our program."

Penobscot Consortium, Maine. Like the Bergen County programs, Penobscot's monitoring system is relatively simple. Weekly, monthly, and quarterly reports prepared by the MIS unit are used by both the planning and operations units to check on client flow, expenditures, target group service, and so on. Full-time monitors make visits on a regular basis to training, work experience, OJT, and PSE sites. Findings from the visits are compiled by the MIS unit and circulated to the senior staff so that necessary changes can be made immediately. The Area Operations Director also engages in personal monitoring. Monitoring is viewed as a means of keeping abreast of short term trends in the program. Planning staff are interested in the relationship between planning projections and performance; operations people want to know how the different Offices of Training and Employment Programs are performing and even how the individual job developers and counselors are performing.

Unlike Bergen County, Penobscot conducts evaluations focusing on longer term trends and tests basic questions about whether a program or service produces the expected results. Short term evaluations may examine questions related to the monitoring concerns. For example, last year they examined the relationship between enrollment, termination, and placement of various demographic groups in order to reach some judgments about the equity of service in the program. Another short term study looked at the relationship between the applicant pool, those referred, and those enrolled in STIP. This study showed that those enrolled were more representative of the applicant pool than those referred, suggesting that referrals were made on the basis of incorrect assumptions about the kinds of people best suited for the program. This was passed on to the operations staff and changes were made.

The longer term evaluations are based on surveys administered to all Title I participants and a sample of PSE enrollees at regular intervals after they terminate from the program--30, 60, 90, and 180 days, and 1, 2, 3, and 4 years. The surveys probe numerous social and economic effects of the program. Control groups will be developed from among those who applied and were eligible for the program but did not participate.

The impact of the monitoring activities is substantial. The operations staff is anxious to get monitoring reports and use them to identify and treat operational problems. The reports also promote continuous and constructive exchanges between the planning and operational units of the agency. The results of the longer term evaluation studies are just beginning to become available, since the system was set up only a year ago. But, the senior staff are committed to using the results of the evaluations to make changes, even if they are major ones.

Baltimore Metropolitan Manpower Consortium, Maryland. The Baltimore Consortium consists of the City of Baltimore and the five contiguous counties in the SMSA. The Mayor's Office of Manpower Resources is the administrative arm of the consortium. With a base Title I allocation of over $15 million and a total budget of nearly $70 million, it is clear that the agency can afford and in fact needs a large evaluation staff. The Research and Evaluation Unit alone has 10 employees, but many more people are involved in monitoring and evaluation.

The Baltimore Consortium makes the standard distinction between monitoring and evaluation. As with Bergen County and Penobscot consortium, monitoring involves short term assessments of the progress of subcontractors toward meeting their contractual goals. Evaluation examines the impact of CETA services on participants and the community. Monitoring is done by nine program analysts who work in the Grants Management unit. They visit the programs to which they are assigned at least once a week to check payroll, attendance, and classroom activity, keeping informal records and making a monthly report to the Director. The monitors play both oversight and technical assistance roles. Much of their time is spent on maintaining an efficient and accurate MIS because it generates weekly reports on the performance of the agencies.

The evaluation staff is divided into teams that evaluate short and long-range impact of CETA programs. The teams are divided as follows: manpower service center evaluations, youth programs, training components, work experience and PSE, and follow-up--for surveys of participants six months after termination. The members of the evaluation staff report directly to the Deputy Director and have no operational responsibilities. Each team, which is made up of people with program experience and some methodological training, establish an agenda in consultation with the program monitors and the senior staff.

Short term evaluations examine the types of clients served by programs, service deliverers, and jurisdictions, or the placement rates by similar categories. They also analyze relative costs and conduct surveys of various kinds, including employer reactions to manpower trainees. Long term evaluations include surveys of program completers after six months, for example. In short, the evaluation unit undertakes a series of operationally oriented and long-term projects that aid the senior staff in making concrete decisions, but their work can also help develop knowledge about the efficacy of various manpower approaches.

A review of the recent agendas of the evaluation teams highlights the nature of their work. The follow-up unit planned a long range survey on employment retention and other programmatic issues for the Summer Youth Program, the work experience programs, OJT, and pre-apprenticeship training. The manpower service center evaluation team planned a demographic analysis of the intake system, a geographic analysis of registration, service, and placement by census tract, and the development of a formula for calculating the rough dollar value of all services delivered to each census tract in the city. The training evaluation team planned to analyze "program hopping." As part of their normal responsibilities they also conducted exit interviews and tests for the LPN and clerical training programs.

Both the program monitoring and the evaluation work are used extensively by the senior staff for management decisions and for planning the mix of manpower services, the selection of service deliverers, and for contract negotiations. Unlike some prime sponsorships, the staff has not sought to make the results of their evaluations public, but they do use them in their discussions with the agencies, and the service deliverers undoubtedly know that the staff could always make them public if they wanted to. Thus, we found that most service deliverers were content to live with the findings from the evaluations; they did not question their integrity, but a few did have doubts about the accuracy and timeliness of the MIS on which the evaluation reports are based.

Summary

The three examples of prime sponsor monitoring and evaluation activities provide excellent evidence of the range of approaches used in CETA and illustrate some important themes. On one end of the continuum we have Bergen County's approach--a small staff, limited quantitative data, a relatively weak MIS, use of volunteers on the MPC, emphasis on operational questions. On the other end, we have Baltimore Consortium--a large evaluation and monitoring staff, extensive quantitative analysis of sophisticated MIS data, limited public involvement, emphasis on operational and long range questions. Yet, all three prime sponsorships reap significant benefits from their monitoring and evaluation. All of them use the results in contract negotiations with service deliverers, to correct their operational problems, and to chart future directions for program expenditures. The particular approach chosen by a particular prime sponsor will depend on the overall size and complexity of the prime sponsorship, the political climate of subcontractors and interest groups, and the skills of the manpower staff. The experience of these prime sponsorships demonstrates the value of imaginative solutions to monitoring and evaluation.

C. UNIVERSE OF NEED AND TARGET GROUPS

In nearly all CETA programs in most communities there are far more people eligible for CETA than can be served by the program. This suggests that needy segments of the population must be identified, their size and characteristics estimated, and appropriate levels of service specified. CETA planners who are assigned the task of analyzing the "universe of need" face difficult problems that can be grouped into four somewhat overlapping categories: definitional, technical, evaluative, and practical. Each category poses a different kind of difficulty for prime sponsor staff. They will be briefly described below and approaches to coping with them, drawn from our research in several prime sponsorships, will then be presented.

The first problem facing CETA planners doing a needs analysis is definitional: how should target groups be defined? The possible criteria are numerous: age, race, income, sex, geographic location, duration of unemployment, work history, education, and so on. Target groups can be very broad categories, such as youth, heads of household, minorities, or narrow ones, such as "black female heads of household with two or more dependents."

CETA legislation originally provided very minimal direction, and even in its latest revisions is only somewhat more specific about who to serve. The new emphasis is obviously on the long-term unemployed and the disadvantaged, but it is still not possible to serve all of them. In order to make sensible recommendations to senior staff, political officials, or planning council members who might participate in the selection of target groups, planners need to know the size and characteristics of the eligible population and where it is located in the prime sponsorship, at a minimum. Answering those questions can be very difficult, however.

The second problem is evaluative. Beyond the base-line eligibility, prime sponsors should target their limited resources on those who can most benefit from the types of employment and training programs that they have available. This requires careful attention to the assumptions underlying one's manpower programs. Target group selection, therefore, is a choice in manpower planning that, like so many others, cannot be made in isolation.

Assuming that the prime sponsorship can reach agreement about how target groups should be defined, one must decide which groups will receive highest priority. In our view, the staff should place goals or quotas on particular groups and implement those decisions through the intake process and by designing programs that will meet the needs of the priority groups. If this is not done, then those enrolled may not be the ones that were "most in need," according to the prime sponsor's definition, nor the set of people who could best take advantage of the CETA programs in the prime sponsor's jurisdiction.

Unfortunately, the debate over target group priorities is often conducted without reference to the evaluative issues and the data. Individuals and groups within and outside the prime sponsorship press claims for more service to their preferred group. Prime sponsor staff frequently are unable to respond to these claims effectively because they have little or no information on the size and needs of the groups being advanced.

Determination about target group priorities should not be made solely by a competition of interest groups, though responsible political officials and staff members must ultimately make value judgments. Instead, such a debate should be informed by a careful analysis of the actual need of particular groups, broken down, not just by their ascriptive characteristics, but by their need for different kinds of manpower services.

The third kind of problem is technical: how can prime sponsor staff make careful analysis unless they have adequate data on the universe of need? CETA planners are frequently frustrated in their attempts to obtain data that will allow them to analyze need for manpower programs in their prime sponsorship. Unfortunately, the data collection system of the U.S. Employment Service was not designed with the needs of CETA manpower planners in mind. Even though prime sponsor staff universely acknowledge that their data are imperfect, some have been able to reach more accurate descriptions of need than others. A point addressed in some of the examples below is how one can improve the quality of data within the limited resources of the prime sponsorship.

The last type of problem is basically a practical one. CETA planners recognize that the goal of good target group planning is to help improve the quality of program operations and to assert the preferences of CETA decision-makers about who should benefit from CETA programs in a way that corresponds to a measure of local need.

Elaborate needs analysis can be a waste of time and money if the results are not taken seriously by those operating the programs. Planners must take into account the limitations imposed by the types of CETA services that their prime sponsorship is equipped and/or willing to provide, the history of past program performance with a particular client group, overall labor market conditions, and employer expectations.

At the same time it is important not to let operational considerations dominate the planning process entirely. A balance between operational goals and goals for serving priority groups must be struck.

Some Examples

Denver, Colorado. The Denver CETA planning system does a particularly good job of handling the definitional and evaluative aspects of universe of need and target groups analysis. Their methodology was developed in 1976 for the FY '77 plan and used again for the FY '78 plan. It is based on a matrix that uses both population characteristics (ethnic group, age, sex, veteran status, and head of household status) and socio-economic indicators (percent of population, percent of labor force, unemployment rate, percent of group in poverty, and percent of applications at the Employment Service.) The economic indicators are assigned differing weights based on the judgment of the staff involved in planning (and ratified by the MPC). Indices of relative need are then derived for each population group. A second matrix is then created that cross-tabulates ethnic-sex groups with veteran, age and head of household status and subjective judgments are made about how to weight the frequencies.

The index of need and the frequency index are combined to provide a single index. The twenty-five neediest groups were singled out as those about which decisions had to be made in terms of relative emphasis. The number of people in each of the twenty-five groups in poverty were calculated.

The matrix method developed in Denver is not without its problems. It uses 1970 Census data, which are particularly obsolete in Denver because of its great growth in the 1970s. The staff plans to use more up-to-date data from the Employment Service on the characteristics of its registrants in 1977 for the next plan, but some people will not accept ES data because they claim that the poor are reluctant to register there. Finally, many of the critical decisions about who gets served are still subjective. But, overall Denver has constructed a useful method for systematically examining its universe of need.

Penobscot Consortium, Maine. Penobscot Consortium has done a particularly noteworthy job in supplementing the standard forms of quantitative data on universe of need with qualitative information, and in making good use of the quantitative data that they do have available. Wishing to avoid narrow target group designations, the staff has identified significant segments as the economically disadvantaged, youth, women, older workers, veterans, and native Americans. But they go beyond merely naming groups that should be served. The staff also conducts an exhaustive search of all available quantitative information in order to develop goals for service to each group in proportion to its representation in the universe of need. Other groups that do not loom large in such an analysis nevertheless receive high priority: migrant workers, offenders, handicapped persons, and alcoholics.

The final goals for target group service are not based solely on the quantitative data. Qualitative assessment by the staff and advisory council members also plays an important role. The council considers the question of target group selection in some detail each year. For the most part, their input does not result in great changes in the staff research. However, they do offer suggestions that clarify and modify staff findings in productive ways.

San Francisco, California. The San Francisco CETA program's approach to target group planning is impressive for two reasons. First, they vigorously attempt to serve people in their community in proportion to their presence in the unemployed population. Second, they are willing to design new programs to meet the needs of their clients rather than let the current mix of services dictate the kinds of people they can serve. The analysis of the unemployed population is relatively simple, the follow-through is unusual.

The universe of need in San Francisco is very complex: there are many ethnic groupings, many language problems, and so on. Each year the staff analyzes the demographic characteristics of the unemployed population in the city. The findings are used in designing programs and in choosing service deliverers. Because San Francisco is so diverse, they have funded a large number of Title I programs--over 30 in FY'78--to serve the many groups identified as being in need of manpower services. Each subcontractor is given specific standards about the characteristics of those that they must enroll in the program, and they are closely monitored by the staff.

Unlike most prime sponsorships that work with a stable group of programs, services, and target groups from year to year, San Francisco's CETA staff has demonstrated a willingness to reach out for new organizations to deal with newly discovered or defined problems. There seems to be no significant barrier to employment that the staff is unable or unwilling to address. If the staff discovers that a program cannot deal with a specific problem, they will create a new program or establish linkages with other agencies that can assist in its solution.

D. INTAKE AND ASSESSMENT STRATEGIES

The previous section discussed methods for identifying, evaluating and establishing goals for service to target groups. In order to implement target group goals, it is necessary to establish a method for determining who gets into CETA programs and who doesn't (intake), and a method for channeling people into the "right" services or programs once they have been admitted to the CETA system (assessment). These two functions, which serve as the entry points into CETA, are clearly important determinants of what the system produces, whether the staff pays attention to them or not. This section addresses some of the central questions involved in developing effective intake and assessment strategies.

There is an inescapable tension built into CETA programs that is resolved in one way or another at the point of intake and assessment. The baseline rationale for employment and training programs is that they provide services that enable certain people to obtain stable employment who would be unable to do so without some kind of interference in their ability to cope with the normal functioning of the labor market. Therefore, client need should be the primary determinant of whether someone receives CETA services. On the other hand, program administrators stress that CETA can only do so much to change or shape the employability of the people it serves, and these limitations must be recognized. This suggests that some particularly "needy" people may not be serviceable from the point of view of CETA. Thus, need alone cannot determine client selection. The problem is that it is easy to slip into the practice of "creaming" once need becomes only _a_ factor in selection rather than _the_ factor.

The way in which most CETA programs are planned, implemented, and evaluated encourages creaming. Typically, planning periods are short, immediate evidence of results is demanded, and evaluations are based largely on positive termination rates and placement rates. The closer the clients are to job readiness, the easier it is to get a program off the ground, and to produce results that look good (at least if one doesn't look too hard). Thus, the incentives to cream the best participants from the applicant pool are considerable (program operators want capable people, DOL and elected officials want to see results, and so on) and the limitations of the programs are real. The intake system must somehow uphold the integrity of the CETA system by bringing in people who need help, and yet still contribute to the efficient operation of the programs. Our research has discovered many elaborate designs for achieving this goal, but few instances in which the designs were actually implemented.

One means for making some headway in the search for an intake system that is both responsible and effective is to assert that program participants should reflect the priorities established in the analysis of the local universe of need. The desirability of linking client intake decisions to analyses of local need is generally recognized among CETA administrators, but again, seldom done well. Designing and implementing an effective intake system introduces some difficult problems that go far beyond this simple recognition. Many prime sponsors base service levels either wholly or partly on past levels of service to specific target groups. This practice obviously introduces a great deal of circularity in the relationship between target group planning and participant service, which is tidy, but hardly justifiable. In some cases this practice is followed to reduce uncertainty, especially with regard to meeting standards set by national and regional offices of DOL. In other cases this practice comes about because service levels for different target groups have emerged after years of political compromises among local clientele groups that cannot be changed easily.

A second problem that must be dealt with is whether to impose strict service quotas on those responsible for intake in order to achieve the desired mix of clients, or to leave some flexibility in the intake system. In the course of our research we have found that prime sponsor intake systems show a wide range of variation on this score, from those who admit applicants randomly (usually after eligibility determinations), to those in which heavy controls are imposed on the intake system.

It is apparent that the two problems discussed above are related. If next year's service goals are determined by last year's levels of service there is clearly no need to impose intake quotas. But, assuming that the specified goals for target group service call for at least some departure from the past, it may be necessary to introduce some mechanisms for stimulating intake people to depart from existing operating procedures. A quota system may be one way of doing this.

The examples discussed below will focus on intake strategies that function as part of a concerted effort to implement concrete client service goals where that goal demands that those responsible for intake employ some type of standard in a systematic way to select participants from the applicant pool. This means that our examples will be drawn from prime sponsorships in which some positive and definable objective is assigned to intake, and where that objective appears to have been successfully carried out.

Effective Intake Strategies: Some Examples

The King-Snohomish Consortium, which serves the Seattle SMSA, employs an intake system that is tightly controlled and effective. The intake, assessment, and referral functions are centralized in the sense that the Washington state ES is responsible for providing these services to all CETA applicants in the consortium, but is also decentralized in the sense that ES operates 11 offices for this purpose. The KSMC staff, the sub-contractors, and ES have worked very closely together for a number of years to develop and refine this intake system, which was initially based on an ES design.

The primary objective of the KSMC intake system is to make sure that target group service goals are met during the program year. The planning staff of the KSMC, in conjunction with the advisory council, establishes the target group goals. In recent years broad target groups have been preferred (minorities, females, and youth for FY 1978). Prime sponsor-wide goals are broken down by individual sub-contractor, and service goals are set for each of them. The ES offices, aware of the service goals of each subcontractor, make a concerted effort to refer clients that will allow subcontractors to meet their goals. This procedure also guarantees that overall service goals are met. The sub-contractors have the right to reject ES referrals, but this right is rarely exercised.

Meeting the target group goals of the sub-contractors is not, of course, the only factor considered by ES in making referrals. They try to refer people who have been waiting for the longest period of time, and those whose assessment results suggest that they would benefit from the program offered by the sub-contractor.

The San Francisco prime sponsorship's client selection system combines flexibility with a firm commitment to achieve certain target group service goals. The staff and the advisory council identify a number of significant segments (in recent years 12 different significant segments have been isolated). Some of these target groups have guaranteed levels of service assigned to them. This guarantee means that the minimum level of service assigned to these groups will be met during the year, even if it means interrupting the normal flow of client selection. In FY 1978, the economically disadvantaged Latinos, Chinese, welfare recipients, Filipinos, American Indians, ex-offenders, older people and those with limited english speaking ability were all listed as "minimum-level" target groups. For the other significant segments (Blacks, youth, and Vietnam Veterans for FY 1979) no fixed levels of service are guaranteed.

The San Francisco CETA system is decentralized, with most sub-contractors taking care of their own recruitment and selection. Those selected by the sub-contractors are then sent to the State Employment Service (JSO) for certification and formal enrollment. However, when monitoring reports show that a minimum level group is in danger of not meeting its service goal, the JSO, under the direction of the prime sponsorship staff, can correct any imbalances by imposing tight controls on client selection. This occurs very infrequently, but the mechanism is present when needed.

Another way to promote the achievement of client service goals through the intake process is to establish a rating system for applicants that rewards applicants who have certain characteristics. The Cleveland Area Western Reserve Manpower Consortium has established such a system for its PSE programs. Points are given to applicants who fall into certain high priority groups such as racial minorities, women, handicapped, Hispanics, those with less than a high school education, those with limited English speaking ability, and those who have been unemployed more than 40 weeks. Points are also given to those who fall into significant segment categories--youth, economically disadvantaged, welfare recipients, and persons over 40 years of age. The order of referral to PSE positions is then governed by the scores applicants receive when these points are totalled up on their intake form. This helps to give high priority groups an edge in the competition for PSE jobs.

The Baltimore Metropolitan Manpower Consortium uses its performance contracts to reduce some of the incentives to "cream" at the intake level. Sub-contractors are offered monetary bonuses for successfully training and placing participants with particularly low prospects of finding employment on their own. These "hard-to-train" participants are identified by very weak educational backgrounds, and low scores on aptitude tests. Thus, many sub-contractors encourage referrals of this type, which is precisely the opposite of what occurs in most prime sponsorships.

Another method for achieving participant service goals that lessens the tendency to cream is establishing eligibility standards that exceed those contained in the regulations. Under the new CETA legislation, eligibility has been more narrowly defined than ever before. The prime sponsors discussed below had already successfully taken steps to restrict eligibility before passage of the new CETA.

In Bergen County only low income applicants are accepted in both Title I and PSE programs. Atlanta requires that all Title I participants enrolled in a component that pays a wage or a stipend be economically disadvantaged. The Penobscot Consortium has a general rule of only accepting economically disadvantaged persons in both Title I and PSE programs, but exceptions are allowed under "special circumstances." San Francisco has established its own measure of economic disadvantage. Instead of using the 70% of the BLS lower living standard, they use the OMB-approved Orshansky poverty level. The difference between the two measures is significant. For a family of four the Orshansky poverty level is an annual income of $5850, while the 70% of the BLS lower living standard figure comes to $7640 in the San Francisco area. Syracuse requires that Title I participants be unemployed for at least 30 days prior to entering the system, rather than the 7 day period mandated in the regulations. These examples demonstrate that it is possible to implement CETA programs effectively with relatively narrow eligibility standards. Although the new national standards are more restrictive than before, they are still inadequate definitions of need in most prime sponsorships. Therefore, most prime sponsors will wish to add restrictions that more carefully target their programs to people who they define as most in need.

The city of Syracuse has also been able to relieve some of intake pressures by setting up a two-step intake process. Three agencies in the city are involved in screening CETA applicants, one for the elderly, another for minorities, and the ES for everyone else (including minority and elderly people who do not go to the other agencies). The bulk of the applicants end up going through ES, which has worked very closely over a number of years with the Syracuse Employment and Training Agency (SETA)--an in-house assessment, counseling, referral, training, job development and job placement operation. ES intake people, therefore, are well versed on SETA assessment criteria, which become the final determinant of what services, if any, an applicant receives, and they use these criteria to guide them in making intake decisions. This greatly reduces the number of people who appear at the SETA office requesting services, so the SETA staff has an excellent opportunity to engage in extensive assessment and counseling with those who do come to them. (The Syracuse assessment system is described in more detail in the next section.) This two step intake process helps to reduce the pressures to cream on both the screening agencies and the SETA office.

Assessment

Creaming also occurs within CETA systems--with the "best" clients routinely sent to specific programs. Some prime sponsors have certain programs (usually work experience) that may be used as a "dumping ground" for people who are accepted into the system, but are judged to be unable to perform effectively in skill training, OJT, or PSE programs. In some cases this is appropriate since a sequence of programmatic services is planned for the client, but in other cases no such plans exist. This, again, points to the presence of a built-in tension between the demands of program operators to have people they feel they can work with effectively, and the needs of clients with the least hope of finding a job. This tension is resolved for better or for worse through client assessment.

There is a fair amount of consensus among CETA administrators that client referral decisions should be informed by both testing and counseling, and that the end product should be some sort of employability development plan--a prescription of the services that a client should receive to become job ready. The nature of these plans varies, as does the extent to which they are used by those making referrals. The section that follows presents a few innovative and effective approaches to client assessment.

Innovative Approaches to Client Assessment: Some Examples

The Bergen County Community Action Program (BCCAP) has developed a multi-faceted and effective client assessment component for their CETA system. During the intake process an initial determination is made whether an applicant is in need of CETA services. If this is judged to be the case the person is referred to an employment and training counselor, who works with the client to develop an employability development plan (EDP). Several kinds of assessment may go into the development of such a plan. One is simply in-depth counseling, or "person to person" assessment. Another is educational testing, such as GATB or other standardized tests, that provide information on a client's basic reading, math, and verbal skills. Finally, and most interestingly, many clients are referred to a Career Decision Lab, where they are paid an allowance while being exposed to various career possibilities. The lab is designed to test each person's interest in, and aptitude for, different employment careers. This assessment tool is especially useful for clients who have no firm career preferences when they enter the CETA system. The final EDP, which outlines the services a client needs to become job ready is a product of the results of the different assessment procedures, the judgments of the counselors, and the preferences of the client.

The key to client assessment in the eyes of the Syracuse Employment and Training Agency is the personal touch. They begin by assuring applicants that employment references and tests will not be used to exclude them from the program, but only to pinpoint areas in need of development. They employ a limited number of tests. GATB is used for everyone, and other tests are used to inventory some clients' interests, and manual dexterity.

The heart of the assessment process in Syracuse is a 4 to 8 week one-on-one counseling activity for each client. They try to match client and counselor very carefully so that these sessions can be most fruitful. These counseling sessions are open and frank. Seventy-five percent of the applicants complete the counseling and are enrolled in the program. Participants are also exposed to interview boards composed of representatives of private sector employers, which helps to prepare participants for real interview situations, and better to assess the areas where improvement is needed. All of these different components make up an extensive client assessment function, which is viewed by SETA staffers as one of the strongest points of their program. The end product of the assessment process is a prescribed sequence of services for each client, and a signed contract that commits the prime sponsor to providing these services.

One of the most systematic attempts to structure client assessment in a manner that identifies gaps between a client's interests and skills and the requirements of the labor market has been established by the Penobscot Consortium. One striking feature of their client assessment procedure is the conscious emphasis on bringing the demands and expectations of future employers into the assessment stage of CETA. In this way the "human capital gap" for each client can be clearly delineated. Most of the specific components of what the PCTEA calls a "participant assessment matrix," which they develop for every client, have been mentioned in the discussions above. The structural characteristics (age, sex, race), educational and training experiences, employment history, interest profile, basic and job related skills, and behavioral characteristics (appearance, motivation, punctuality) of the clients are assessed and listed on one form, so that their personal barriers to employment can be easily identified. Once the matrix is completed an employability plan that prescribes the service appropriate for remedying the identified employability problems is developed and implemented.

E. LABOR MARKET ANALYSIS

One of the often cited advantages of decentralized (as opposed to categorical) employment and training programs is that they greatly enhance the ability of planners to design programs that correspond to local labor market conditions. This, of course, suggests that prime sponsors can and do conduct meaningful labor market analyses, and that this research is used in making decisions about program design and operations. However, we have observed that much of the large quantity of labor market data that has been collected or generated by CETA planners is used only for the purpose of satisfying DOL grant application requirements. There is often very little integration of labor market information and program planning.

The fact that labor market analyses are frequently put to very little use by those designing and operating CETA programs may result from poor staff organization, the insensitivity of labor market analysts to the needs of operations staff, or the unwillingness of the senior staff to be guided by the results of labor market analysis.

In many cases however, labor market analysis is ignored because of data limitations. Although labor market data are usually available in large quantities, the data are often of such poor quality that it cannot yield answers to questions of primary concern to CETA planners. Most prime sponsors rely on ES labor market trend data, newspapers, national economic indicators, and labor market studies completed by other local organizations (such as Chambers of Commerce and regional planning commission) to project labor market trends.

It is common for the program planners, the operations staff, and the labor market analysts themselves to agree that limitations in these data make them a very unreliable base for making programmatic decisions.

This recognition leads many prime sponsorships to look elsewhere for more reliable labor market information. Judgments offered by different local "experts" (or other contacts) are sought and often used instead of the quantitative projections to inform programmatic decisions and placement strategies. In some cases careful efforts are made to check the reliability of these qualitative data sources, and make those with proven records of accuracy part of the formal labor market information system. In other cases, judgments of varying degrees of reliability are received in a seemingly random fashion, and exert a very unsystematic influence on decision-makers.

In this section innovative approaches to the collection and use of quantitative and qualitative labor market information will be described. A necessary condition for any approach to be designated as innovative is that it be used to help determine the design and operation of CETA programs. Many very elegant analytical routines exist that have not been shown to be useful in practice, and therefore will not be included in this report. In addition to proven usefulness we are interested in approaches that are both unusual and imaginative.

Innovative Quantitative Approaches to Labor Market Analysis: Some Examples

Probably the most systematic attempt to use quantitative labor market information to inform decisions about training priorities that we have observed is a system put in place in the spring of 1978 by the Denver Manpower Administration (DMA). Their approach allows the DMA planning staff to go beyond the simple identification of areas of employment demand, and pinpoint specific areas of employment growth most suitable for CETA trainees. This is done by employing a number of different data sources. The Annual Planning Report issued by the Colorado Department of Labor and Training is used to identify growth occupations for the upcoming years (growth is defined as 100 or more openings, or a thirty percent growth rate over the next five years). Last year 138 growth occupations were identified. These growth occupations are then checked and double-checked by consulting other labor market data the DMA staff has available. These alternative data sources include employment projections and lists of unfilled openings developed by the Department of Labor and Training, reports on worker demand and supply from the Board for Community Colleges and Occupational Education, and want ads in local newspapers.

In conjunction with these data that identify demand occupations, detailed information on average hourly wages and advancement opportunities in each designated occupation is assembled by the DMA staff from a wage survey and the Occupational Outlook Handbook published by the Bureau of Labor Statistics. This information is used to rank demand occupations according to the benefits they appear to offer to CETA trainees. The ranked occupations are then related to the requirements (education, experience, training, etc.) they place on applicants, and the rate of personnel turnover is considered before the staff comes up with a final index of high priority areas for CETA training. The DMA hopes that this system will help them correct some deficiencies in the training component of their Title I program.

A number of other prime sponsors employ quantitative data sources to project job opportunities that go beyond the "standard" sources of labor market information mentioned before. Some of these data sources are available only in particular prime sponsorships, but others could presumably be of benefit to many other prime sponsors. A few of these will be discussed below.

The Omaha Consortium commissioned the Center for Applied Urban Research at the University of Nebraska at Omaha to do a series of labor market studies covering the Omaha SMSA. In one study local employers were surveyed to determine growth occupations in the SMSA, and more specifically to identify openings in entry level and paraprofessional positions and sources of training for these jobs. The Center also did a more general study of the structure of the local labor market by industry and occupation for the consortium. This study included projections of areas of growth, and covers the period from 1970 to 1985. Many other prime sponsors have contracted with local colleges or universities for studies like these, and it seems to us to be an option that has wide potential applicability.

The Penobscot (Maine) Consortium has taken a couple of interesting steps to improve the quality of the quantitative labor market data with which they have to work. They have used Occupational Employment Surveys conducted by the Maine Department of Employment Security in 1973 and 1977 to trace labor market trends in a number of Maine industries over time. The consortium also strongly supported a proposal before the Maine SMSC to fund a statewide survey to gather information on youth employment patterns. When the study was completed the consortium convinced the University of Maine--the contractor for the survey--to break out the results for the Penobscot Consortium. They were thus able to obtain up-to-date labor market information at a relatively low cost.

In Syracuse the Community Council on Careers in Greater Syracuse makes available a series of reports that project job openings in manufacturing firms based on a survey of local employers. The prime sponsor staff uses these reports to supplement the more standard data sources they have available in the compilation of a yearly Labor Market Report.

These examples are intended to illustrate the point that prime sponsors can usually improve the quality of quantitative labor market data they use in planning either by making a systematic effort to seek out and tap existing data sources in their localities (as in Syracuse and Penobscot), or to take steps to see that better data are generated (as in Omaha and Penobscot). These steps do not have to be expensive or time consuming if the options are thought through clearly (some prime sponsors have funded PSE projects to survey employers, which can be an inexpensive way to collect labor market data). The improvement in labor market information can be substantial.

Innovative Qualitative Approaches to Labor Market Analysis: Some Examples

The Baltimore Metropolitan Manpower Consortium has established an impressive system for using qualitative information on job openings and labor demand projections obtained from members of local labor unions and business firms in labor market planning. This information ultimately becomes a major determinant of the types of skill training programs the consortium will offer in any given year.

The prime sponsor staff has worked with members of the local business community and labor unions as well as representatives of local schools to create 15 Labor Market Advisory Councils. The Councils are organized around distinct employment and industry categories (for example, building trades, mechanics, ship building, cooking) and they perform a number of functions, which help to improve the quality of the labor market information the staff has available. Every year, during the planning process the LMACs meet as a group and react to staff-developed labor market projections that already incorporate various data sources including a survey of local employers. Employers on the councils describe their hiring plans in the areas identified and provide further details such as the kinds of qualifications they will require, the wages that will be offered, and the advancement possibilities associated with different positions. Union and other labor representatives report on the kind of training the jobs require, working conditions, turnover rates, and related matters. The basic mission of the LMACs is to supplement the quantitative projections developed by the staff and pinpoint those occupations that the CETA system should address.

In addition to this very specific and formal function the LMACs perform during the planning process, members of the councils help the staff at various times during the year by reacting to late-breaking plans, reviewing proposals for training programs, and evaluating on-going training programs. Thus, the councils act as both a formal deliberative body (meeting at least two or three times a year) and an informal network of contacts whose knowledge and services are frequently requested when the staff faces difficult problems for which their expertise is particularly appropriate.

In Syracuse a similar, but less elaborate process for integrating public input and staff projections in an analysis of the local labor market has been established. When the staff completes its yearly Labor Market Report it is referred to the Research Committee of the MPC. Committee members offer the same sorts of observations that the members of the Baltimore LMACs provide, and this information is used in decisions relating to the kinds of training programs the city will offer during the next year.

The Albuquerque consortium goes even farther than Syracuse in the effort to incorporate the services of advisory council members in labor market analysis. The Economic Development and Labor Market Task Force of the Consortium Planning Board is responsible for working with labor market data to determine areas of employment opportunities for CETA trainees. They are, of course, assisted in this effort by the staff, but the staff functions mainly in a technical assistance capacity, and does not offer a great deal of substantive input. The task force members themselves are, therefore, the major actors in the labor market planning process.

The most common form of qualitative information on labor market conditions used by CETA planning staffs is supplied by CETA job developers. While most prime sponsors incorporate the observations of job developers into their labor market analysis some do so more systematically and effectively than others. The Bergen County Community Action Program, which administers all the CETA programs in the county, has evolved a very effective process for feeding the observations of job developers back into the planning process. A centralized job development unit carefully divides the county into sections and contacts all relevant employers four times each year. The primary purpose of this activity is to locate immediate jobs for CETA participants, but a very important secondary purpose of this exercise is to develop information on current and future demand occupations. Job developers also inform planners about the areas of skill training in which they have encountered difficulty in placing people, and those in which placements have been easily secured. All of this information is used in an effort to make the best possible choices about the types of skill training programs that should be offered.

F. SYSTEM DESIGN: SERVICE DELIVERER SELECTION, SERVICE DELIVERY SYSTEMS, AND PERFORMANCE CONTRACTING

One of the major decisions prime sponsorships make is the selection of service delivery agencies. There is always potential for a fair amount of conflict to arise in the course of making these choices; no prime sponsor welcomes the kind of petty bickering and infighting among rival service deliverers that can and often does accompany funding decisions. Consequently, most prime sponsorships develop some method for reducing this type of conflict. However, some prime sponsorships also recognize that a little competition between service delivery agencies may lead to the improvement of the system as a whole, and make some effort to promote what they hope will be healthy competition.

The importance of service deliverer funding decisions depends on the extent to which the service delivery system is open or closed. Many prime sponsorships effectively eliminate conflict over service deliverer funding decisions by maintaining the same set of service delivery agencies at more or less the same level of funding year after year. In such cases funding decisions in any given year tend to be routine, incremental, and not particularly interesting or important. In other cases the system is open, at least to some degree, which means that funding decisions are quite significant, and the study of how some prime sponsors make these choices can be useful for prime sponsorship staffs.

While the way in which service deliverer funding decisions are made is often important, the results of such decisions are even more important. Every aspect of a CETA system is affected by the number and type of agencies that are selected to operate employment and training programs. Not surprisingly, variation in the extent to which CETA programs are subcontracted to outside agencies, and the kinds of agencies receiving the subcontracts is great. Some prime sponsorships are convinced that operating all or most of the programs within their own organizational structure is the only way to make the system manageable and responsive to changing policy standards and economic conditions. Others believe that a mix of in-house and subcontracted programs is desirable. Still others are firmly committed to the idea that the prime sponsor staff should be purely administrative, and the responsibility for operating programs should be sub-contracted.

In this section innovative ways of chosing among competing service deliverers will be described. We include approaches that have been observed to work in situations in which the decisions are recognized by everyone as consequential ones. By "consequential" we mean that the possibility existed for agencies not receiving funding in the previous year to be funded for the following year, or that current service deliverers might be defunded, or that changes in the operational responsibilities, and funding levels for an existing set of service deliverers might be made.

Exemplary models of service delivery systems will also be described. The models presented will represent the three general models referred to above: those in which all or nearly all the programs are operated in-house, those in which a mixed pattern of in-house and sub-contracted program operation exists, and those in which all or nearly all the programs are subcontracted to outside agencies.

Exemplary Service Deliverer Selection Processes

Many prime sponsors have decided that the best way to make rational, open, and performance-oriented service deliverer funding decision, while keeping conflict among service deliverers under control, is to institute a formal Request for Proposal (RFP) process. In most cases, the MPC, or some public body outside the staff, is brought in to review the proposals and make funding recommendations so as to reduce the chance that favoritism (or the perception of it) will creep into the selection process. Our view is not that a formal RFP is a panacea for the problems inherent in service deliverer funding decisions, but we have observed a few that seem to work pretty well.

Many problems have beset those who have attempted to use an RFP process to make service deliverer funding decisions. In some cases, the process is viewed by all parties involved as an unnecessary burden because it has no impact on the outcome of funding decisions. In other cases political influences interfere in a way that distorts the selection process. Still other prime sponsors have found that the introduction of an RFP greatly expands the scope of conflict over funding decisions, since new groups that previously had no knowledge of, or interest in, CETA are activated by the public RFP.

The Atlanta prime sponsorship established (after a number of years of experience) a carefully constructed and systematic service deliverer selection process. The staff initiates the process by drafting a Request for Quotation (RFQ), which invites agencies in the city to submit proposals for specified services. The RFQ replaced a more general RFP when it became a burden because it was too open ended. The RFQ not only provides a general outline of the kinds of services requested, but also supplies detailed program requirements. The draft RFQ is reviewed by all units of the prime sponsor staff, and the final version is mailed to all agencies on their bidder's list and the city council. It is also advertised in local media. Potential contractors are given two weeks to submit proposals; the proposals are reviewed the following week.

Reviewing proposals and making funding decisions is the responsibility of subcommittees of the advisory council. These subcommittees are organized around functional categories (intake and assessment, skills training, OJT, and so on), and appointments are made so as to avoid any conflict of interest. Funding recommendations are based on a rating system used by the subcommittees. The system takes into account various factors, including past performance. Subcommittee recommendations are passed on to the full advisory council, which has to reconcile the different subcommittee recommendations with the reality of the expected budget. The job has recently been made easier by designating some services as "core" components and others as "peripheral."

As the service deliverer funding process unfolds each year in Atlanta the staff is very much involved by providing data and recommendations to the subcommittees and the full council, but appears to let the advisory groups make the final recommendations on their own. The Mayor, of course, has the final authority to choose service deliverers, but he has rarely used this authority to overturn advisory council recommendations. It seems clear that the existence of this elaborate formal process makes the Mayor more reluctant to act against the wishes of the council than would otherwise be the case.

The San Francisco prime sponsorship employs a similar process, but the staff of the Mayor's Office of Employment and Training (not the MPC) reviews the proposals received in response to the RFP. A task force composed of various units of the MOET (fiscal, monitoring, planning, contracts) is created each year to conduct the reviews. Members of the task force do not communicate with agencies submitting proposals during the entire period in which the proposals are being reviewed so as to avoid any charges of favoritism. This review results in a ranking of the proposals based on a standardized list of criteria including, where applicable, past performance. The original proposals, plus the staff rankings, are then sent to the Evaluation Committee of the Advisory Council, which reviews the material, and conducts public hearings for proponents of the programs who wish to plead their cases. Thus, the council performs the buffer function, but the staff is able to interject more of their acquired expertise into the review of program proposals.

The public RFP route is not the only way to structure a good and workable service deliverer selection process. The Baltimore Metropolitan Manpower Consortium has also used its annual selection process to introduce new programs into the system, alter the operational responsibilities of some operators, and to press all the agencies with which it subcontracts to achieve better performance. The selection process they employ, however, is in many ways the opposite of the public RFP. The MOMR staff has long insisted that service deliverer selection and funding decisions are best viewed as technical decisions, and should, therefore, be primarily a staff responsibility. Thus, in Baltimore, agency funding decisions are not issued for public debate and political squabbling, but are handled in private negotiations between the staff and the prospective service delivery agencies.

This type of approach can work in Baltimore because it is complimented by many other components of their CETA system, many of which have been discussed in other sections of this report. The MOMR has excellent labor market information and uses performance contracts, which are backed up by a strong monitoring and evaluation effort. Contractor performance is thoroughly assessed each year. When it comes time to make service deliverer funding decisions the staff has data on both the need for a particular service and, where applicable, the past performance of the subcontractor proposing to offer it.

Exemplary Service Delivery Systems

In-House Systems of Operating Responsibility. Probably the strongest example of an in-house delivery system we have observed is the Penobscot consortium in Maine. Many of the oft-praised (but seldom observed) aspects of the "ideal" CETA system are present in the PCTEA. The program is comprehensive, integrated (both administratively and programmatically), effective, well-managed, and responsive to local conditions. This situation has come about because a dedicated, hard-working and imaginative staff has been given a great deal of flexibility (indeed almost experimental conditions) to design and implement a model employment and training system.

The core of the delivery system is the four Offices of Training and Employment Programs (OTEPs), which are strategically located throughout the area served by the consortium so as to provide access to employment and training services to everyone in the consortium area. Each office is in a position to offer clients the full range of CETA services (assessment, supportive services, ABE, WE, CT, OJT, PSE, and so on). Employability developers work with clients to establish employability plans and continue to serve them in a counseling capacity as they proceed through the prescribed sequence of services. It is common for the employability plan to call for the client to participate in more than one of the traditional programs (WE, OJT, CT, PSE). In most cases a client's exit program (which could be OJT, CT, or PSE) includes a commitment to hire by an employer, if performance is satisfactory.

Despite recent movement at the national level in the direction of re-establishing a more categorical approach to employment and training programs, the Penobscot consortium has maintained a unified delivery system. Intake, assessment, counseling, referral, and placement for almost all the programs take place in the OTEPs. The only exception is project PSE, which is taken care of through the local ES office (this and a small OJT subcontract with the local AFL-CIO are the only non-in-house aspects of the system). Thus, Penobscot has been able to implement what many other prime sponsors are only able to conceptualize in abstract terms. The different components of CETA are not only viewed and planned as if they formed a unified whole, they are actually operated according to this vision.

The activities of the OTEP offices are centrally coordinated by the Area Operations Department of the PCTEA. In addition to the intake, assessment, counseling, and referral responsibilities just described, the Area Operations Department oversees and directs staff members working on the development and coordination of OJT and PSE positions, skill training classes, and work experience sites. An especially noteworthy feature of the Penobscot system is that they have not sunk costs into ongoing training programs so as to maintain the flexibility to shop around to find opportunities for class size training that fit local labor market conditions. A smaller, but independent staff unit, the Office of Private Sector Initiatives, provides valuable assistance to the Area Operations Department in such activities as client assessment, training workshops, and the development of CT and OJT positions. The Area Operations Department also maintains close working relationships with all the other staff units within the PCTEA. These include the Planning and Fiscal Departments and the Office of Policy Evaluation and Research.

Mixed Systems of Operating Responsibility. The Syracuse prime sponsorship successfully operates its CETA programs using a mixed system of in-house and sub-contracted operating responsibility. Early in CETA the staff settled on the idea of operating the key components of the system in-house, while sub-contracting some ancillary services to outside agencies. The one exception to this pattern is a continuing subcontract with the Board of Education to run the Skill Center, which is clearly a key program component. The staff believes that by maintaining direct control over the operation of most key aspects of the system it can insure basic standards of quality, provide a clear sense of direction, and encourage integration with other programs. Sub-contracting some parts of the program was considered important because the staff wanted to encourage some agencies, which were providing services outside the CETA system to participate within the system, to give important client groups an agency perceived to be sensitive to their needs, and simply to take advantage of some agencies whose competence had been proven through past performance.

Assessment, OJT, WE, individual referral, and job development and placement are run in-house. A former Model Cities agency does intake and recruitment in the minority community; another community organization does intake, recruitment, and job development for older workers. The Employment Service performs a general recruitment and intake function. Remedial education is the responsibility of the Education Opportunities Center connected with the state university. Finally, the School Board runs the skill center. Negotiations between the skill center and the staff have been serious and prolonged. The nature of the Center's operation has changed substantially since the beginning of CETA, mainly as a result of the constant prodding of the OFSAC staff. In this case the basic determination of the staff to have the key components of the system operated according to their standards has extended beyond the programs run in-house to include the sub-contracting agencies.

While Syracuse is an example of a mixed system of operating responsibility that is weighted slightly in the direction of an in-house model, the Baltimore system is a mixed system that favors the sub-contractor model: many of the core programmatic functions are sub-contracted to outside agencies. All intake, assessment, and referral, and part of the job development and placement responsibility is located in the 21 manpower service centers (MSCs). Most of these centers are run by outside agencies (community based organizations, ES, and county governments), but a few are operated directly by the MOMR. Skill training is sub-contracted to several training organizations in the consortium area. These training sub-contractors also have job placement responsibility for their trainees. The MOMR operates OJT, PSE, most WE, and a central job development service in-house.

The reasoning behind this set-up is fairly straight-forward. The decision to set up the network of MSCs was based on the desire to take advantage of the strong neighborhood ties of many community based organizations in the city, and to utilize existing services (ES and county government) in the counties. In choosing training sub-contractors the MOMR favors organizations with direct employer contacts, because these types of training outfits have in the past shown themselves to be most effective in providing quality training and securing placements. The in-house operation of OJT and WE came as a result of the inability of previous sub-contractors in these areas to perform up to staff expectations. Similarly, the central job development unit was established in response to perceived shortcomings in previous job development efforts. The success of this system of operating responsibility is heavily dependent on the use of performance contracts, and the extensive monitoring and evaluations carried out by the MOMR staff.

Systems of Sub-Contracted Operating Responsibility. The San Francisco prime sponsorship subcontracts all Title I operating responsibility. During FY 1978, more than 30 agencies provided CETA services under Title I in the city, with many of the agencies delivering more than one service. Eighteen agencies operated classroom training programs (including english-as-a-second-language), 6 provided OJT, 4 ran WE, and 8 worked on other activities. The San Francisco staff believes that the sub-contracting model is the best way to operate a CETA system in San Francisco for two basic reasons. First, utilizing a large number of service delivery agencies allows the diverse and numerous constituency groups that exist in the city to be represented in a very concrete way within the system. Twenty of the 30 sub-contractors are community based organizations that represent local constituencies. Second, the San Francisco staff recognizes that with a large number of experienced deliverers with proven records of performance, it would be senseless to exclude them from the system.

The central component of the San Francisco system is a central Manpower Services center operated by the Job Services Office (JSO) (ES in California). This office certifies all applicants, does intake and recruitment for some service deliverers, handles all supportive services, job development and placement. The JSO also verifies all terminations and placements. The other programs and services are provided by many deliverers. The largest single program is classroom training, which takes place at the skill center.

The reason that this wide-ranging operation can function efficiently and effectively is that the MOET staff maintains firm administrative control over several critical aspects of the system. For example, service deliverers are not assured of funding for the future. For existing deliverers past performance is the primary criterion taken into account when service deliverer funding decisions are made. Since the beginning of CETA several agencies have been dropped, or had their operating responsibilities changed, and a number of new agencies have been brought into the system. Probably the most important means of control are the performance contracts and an elaborate monitoring system.

Performance Contracting

Most prime sponsors use either a mixture of subcontracted and in-house manpower services or subcontract everything. There are a number of sound reasons for subcontracting, including the use of programs of demonstrated effectiveness, the ability to change program mix through altering the types of subcontractors chosen, and the advantages of using organizations with established clientele groups.

However, having a lot of subcontracted services can also create problems. Coordination of manpower programs may be difficult to achieve. There may be a long lag time between the introduction of changes by central staff and responses by subcontractors. Program operators may cream the applicant pool. One particularly effective method for countering these problems is an approach known as performance contracting.

In their simplest form, performance contracts provide for reimbursement of program operators when specific services are completed or when particular goals are achieved. They may be highly detailed and tailored to the work of a particular contractor, or broad and applicable to all service deliverers. The central purpose of the contract is to influence the behavior of the subcontractor in desirable ways determined through negotiation with the contractor. While several prime sponsors use one or another form of performance contracting, one that was most interesting and useful was the method used by the Baltimore Metropolitan Manpower Consortium.

As noted in other sections of this report, Baltimore has a very large and complex system of subcontractors; almost all services are run by agencies outside the prime sponsorship. Consequently, the process of negotiating a contract for services is a most important one. A great deal of staff energy and resources are devoted to this process, which may take place at several times during the year as contracts are made to meet changing circumstances. Intensive negotiations always take place during the planning process for the upcoming fiscal year.

The Baltimore staff initially started with "goal oriented" contracts but they shifted to performance contracts in the last two years. The nature of the contracts varies with every deliverer because the staff has information on the strengths and weaknesses of each one and makes use of this information in negotiations. There are similarities between types of contractors, however. The Manpower Service Centers, which handle intake, referral and direct placements, are reimbursed for enrollment and for placements. They are also required to meet certain quality standards, such as a 3 to 1 referral ratio to training agencies.

117

The training agencies are reimbursed on a more complicated basis. Some are paid only for completion and placement. Others are paid percentages of the total cost of services at various stages, such as initial enrollment, training mid-point, completion of training, and placement. The actual contract depends on the staff's assessment of the contractor's performance. For instance, if the staff finds that enrollees are finishing the mid-point of training, but not completing the program at the same levels, then they may put more of the reimbursement in the completion end of the program. This will give the subcontractor more incentive to get people to finish.

An example of the way Baltimore uses the performance contract is displayed below:

Changes in Performance Contract Over Time
(percent paid to contractor)

	Year 1	Year 2	Year 3
Enrollment	85%	30%	30%
Mid-Point	0	30	30
Completion	15	30	20
Placement	0	10	20

In the first year of the contract they placed primary emphasis on enrollment. In the second year they were able to push the contract to concentrate on getting the person through training. In the third year they added even more emphasis to the placement of trainees. By adjusting the amount of reimbursement for different tasks they are able to make the contractor do what they want them to do and help the contractor improve in areas in which they are relatively weak.

Baltimore also uses an interesting method for reducing creaming in their programs. They negotiate entry skill levels with the subcontractors and attempt to keep them relatively low. They have written bonus clauses into the contracts of several training deliverers so that they will be encouraged to enroll those that fall below the negotiated entry level. For example, they pay several contractors a $100 bonus for enrolling and placing non-high school graduates.

The integrity of the performance contracting system is maintained by the staff program analysts who monitor the enrollment levels and other Management Information Reports of the contractors. Equally significant is the fact that completion is defined as the attainment of a specific skill level, rather than simply finishing the program by putting in a required amount of time. The skill levels are tested by the staff of the prime sponsor evaluation unit or by representatives of local industry. Finally, the staff verifies all placements independently so that they pay the contractor only for work actually performed.

G. PARTICIPANT PLACEMENT STRATEGIES

Although the acknowledged purpose of most employment and training programs is to prepare participants for eventual placement into unsubsidized jobs, there is surprisingly little solid knowledge about the most effective placement strategies. This problem is particularly troublesome, and almost universally acknowledged, in the area of private sector employment. CETA administrators talk a lot about "job development" and "marketing," but it is fairly clear that staff members who work on placement serve primarily a labor exchange function. They do not often convince employers to create "new" positions, but instead direct trained CETA clients to openings that have been identified through traditional sources.

Many who have observed CETA programs are surprised at the fact that relatively few staff members work on job placement. This would seemingly be an area that would command a significant share of staff resources. However, most prime sponsorships devote a rather small amount of their staff resources to this function. One reason for this is that job placement must compete with many other functions and services for CETA administrative resources that are devoted to maintaining the inputs to the system and meeting federal requirements. Another is the recognition that CETA job placement is mostly a labor exchange activity, which in theory should be available through local employment security offices (ES). Prime sponsors with and without the encouragement of the DOL have established every imaginable type of relationship with local ES offices to promote job placement, but in nearly every case one conclusion seems to emerge: job placement for CETA clients cannot be adequately provided by relying only on the regular ES placement service. There is a legitimate need, in other words, for some sort of job placement service designed specifically for CETA clients.

Since placements are a critically important outcome of CETA programs, and are readily quantifiable, they often become a key evaluative indicator. This, obviously, creates an incentive for prime sponsors, program operators and others to pursue a strategy of maximizing the number of placements, without much regard for the quality of those placements. Thus, a practice well known by those in the CETA system is to place people into jobs for which their training does them very little good, and which offer very little in the way of long term job stability or advancement. This type of strategy does a lot to undermine the value of CETA programs, and although prime sponsors using it can often display impressive placement rates, they will obviously not be included in our presentation of exemplary placement strategies.

The following discussion of placement strategies emphasizes the "indirect placement" of participants who have received some type of classroom training. Most CETA prime sponsors also place a certain number of applicants directly. That is, they succeed in finding jobs for applicants who come to them job ready. Direct placement strategies will not be discussed because most prime sponsors do not have explicit strategies for placing job ready applicants, and because this activity seems peripheral to the main mission of CETA. We do not wish to imply that only classroom training programs are relevant to placement; WE and PSE programs will also be discussed where they are part of a comprehensive effort to prepare participants for eventual placement. However, the identification of OJT positions, which often takes place in conjunction with efforts to place clients who have received training in the other programs, will not be addressed.

A final point that should be made by way of introduction is that not all prime sponsors have anything resembling a "placement strategy." Placement is often only a function that constitutes one part of a system of unconnected and uncoordinated functions. Taking into account all of these initial observations, it seems reasonable to assert that the ideal CETA placement system would involve two basic components: First, an arrangement for using job openings that ES and other placement services have identified, as well as the capacity for identifying and developing additional openings, either by canvassing employers, or by some other means; second, a method for matching clients to job openings so that the employers' needs are met, and so that the clients are receiving the kinds of jobs that make use of their CETA training, and lead to long-term employment.

Working with the Employment Service

The introduction to this section suggested that prime sponsors should establish some sort of arrangement with ES for job placement. However, many prime sponsors have no such arrangement, and, in many cases have sound reasons (usually a lack of faith in ES' ability to perform) for not having them. A few examples from among those which do work with ES on placing CETA participants merit discussion in this section of the report.

The San Francisco prime sponsorship has a fairly typical placement arrangement with ES (JSO in this case), but one that works quite well because of the strong working relationship between the CETA staff and the JSO, a relationship developed over a number of years, and the prime sponsor's effective use of performance contracts to insure placement results. The arrangement that has been established gives the JSO primary placement responsibility for all graduates of the skill center and those coming out of a few of the smaller subcontracted programs. Most sub-contractors in the system are responsible for their own placement, but the JSO serves as a back-up placement agency for unplaced graduates. The prime sponsor pays for ES personnel who carry out this placement activity and for access to the Job Bank. Such a mixed system of placement responsibility, where many agencies are involved, has a lot to recommend it because both the JSO and the sub-contractors recognize that they must perform, since there are other agencies in the city that are in a position to assume their duties if they do not.

The Baltimore Metropolitan Manpower Consortium has an interesting and apparently desirable, placement arrangement with ES. Several of the 21 multi-service centers are operated by ES on a sub-contract basis. The service centers are involved in job placement, as are all the other MSCs, the training subcontractors, and a central marketing unit of the MOMR. The ES-run MSCs use the Job Bank to secure placements for their participants, and also make the Job Bank listings available to all the other MSCs. In return the job openings identified by the central marketing unit and those developed but not filled by the other MSCs are shared with the ES offices. This is seemingly an ideal arrangement for a CETA system in that the Job Bank, while not being an exhaustive list of job openings for any area, is certainly a valuable job development tool, particularly when it is supplemented by job openings actively sought out by MSC job developers and the MOMR's central marketing unit.

Improving Private Sector Relationships

A very effective way to expand the range of job opportunities available to CETA participants is to establish direct links between the CETA system and employers. Many prime sponsors do this in one way or another, but a few have been especially effective in this type of effort. In Baltimore, the labor market advisory councils (see our earlier discussion of them) represent a very useful set of employer contacts. These contacts facilitate job placement activity in three ways. First, the feedback the LMACs provide on staff projections of demand occupations helps to ensure that only those training programs that have a good chance of leading to jobs are funded. Second, LMAC members are sometimes able to identify areas of employment demand that did not show up in the staff's labor market analysis. Third, the exposure to the CETA system that comes with LMAC membership stimulates many participating employers to hire CETA clients who complete some of the training programs they have had a hand in designing.

The interview boards in Syracuse, which are made up of private sector employers (see the section on client intake and assessment) also end up being an informal means of securing placements for CETA clients. The principal function of the interview boards is to give participants some experience with real interview situations, but it is not uncommon for a member of the interview board to offer a job to a participant with whom he/she is particularly impressed. The senior staff of the OFSAC are also encouraged to be active in the community (for example, by serving on boards), in order to spread the good news of CETA to as many employers as possible.

The Omaha Consortium has always believed in making a very broad-gauged effort to interest members of the business community in CETA. This public relations activity has resulted in many jobs for CETA participants, and is acknowledged as having an important place in the CETA system. The consortium has a formal public relations director as part of the staff, and a PR budget. There are three main facets to the PR effort in Omaha. First and foremost it is directed at reaching employers and informing them about the mission of CETA, and the trained manpower the program has available. This is done in many and varied ways including mailing a newsletter to members of the Chamber of Commerce, media advertising, and even handing out lighters and keychains to businessmen downtown. The second objective of the PR effort is to advertise the presence of CETA to the pool of potential clients, and the third is simply to maintain a positive image for CETA in the community. Media, poster and bill-board advertising, and PR newsletters are the principal vehicles for accomplishing these goals. Almost everyone connected with the system agrees that the PR effort has been a notable success in moving the consortium in a positive direction in all three of these areas.

In Albuquerque the planning staff of the OCETA worked closely with employers and other agencies in planning the location of the skill center. They decided to build the center on the site of a future industrial park, and then secured a grant from the Economic Development Administration to make physical improvements on the site in order to attract industry. The skill center is thus in an ideal position to train employees for industries locating in the industrial park, which should pay off handsomely in terms of future placements.

The preceeding discussion has shown that employer contacts lead to placements in two basic ways: (1) By indicating promising areas in which to train CETA participants, and (2) by directly hiring either trained or untrained participants. This second activity can be taken advantage of by any prime sponsor. The first method, however, requires that a prime sponsor have a training operation that is flexible enough to respond to input from employers in a timely manner. This is a problem for many prime sponsors who, for various reasons, find themselves to be more or less committed to a relatively narrow range of training programs year after year. Avoiding this kind of entrenchment often pays off in terms of placements.

The Baltimore consortium has managed to keep its training operation flexible. Only those sub-contractors who perform are re-funded, and they always come up with the money to fund promising new training programs. This puts them in a position to benefit fully from the information they receive from the LMACs. The same is true of the Penobscot Consortium. They have no long-term commitments to any specific training programs, and try to design each year's set of training offerings to fit their analysis of labor market conditions. Recently the Denver consortium has also decided to take full advantage of its new system of labor market analysis (see the labor market analysis section), by adding a number of new agencies to their list of training subcontractors. These new agencies will offer training courses in the areas suggested by their analysis.

Using Employability Development Plans

The effective matching of participants to jobs is also enhanced by the use of employability development plans. Properly used, such plans are a vitally important device for ensuring that CETA participants are thoroughly prepared for unsubsidized employment in the area for which they have been trained, and have every opportunity to make a meaningful career out of that employment. Indeed, under ideal conditions a prime sponsorship is virtually in a position to guarantee jobs for clients who successfully complete the steps indicated in the employability plan. Obviously, CETA prime sponsors rarely operate under ideal conditions, but some are very vigilent in trying to implement the ideal model. For example, the Penobscot Consortium not only devotes a great deal of effort to constructing an assessment matrix for each participant in order to pinpoint the gap between each client's skill and his or her occupational goal, but they also secure hiring commitments for the exit components of most participants' employability plans. The Bergen County CETA staff has also enjoyed considerable success in using employability development plans to ensure that participants coming out of the system are in a position to take full advantage of the job openings that exist in the area for which they have been trained. (For a discussion of these employability development plans see the section on client intake and assessment.)

Making High Quality Placements

A final way to promote quality placements is to establish incentives within the system that stimulate those working on placement to make an effort to secure high quality placements. Few prime sponsors do so, mainly because the incentives created by national and regional DOL policy work in the opposite direction. DOL reporting requirements and concerns most evident at the local level have consistently ignored long-range impacts in favor of short-term results.

The Baltimore consortium builds incentives for quality placements into their performance contracts with agencies operating training programs. A typical contract calls for 25% of the total funding a subcontractor is scheduled to receive to be paid on the basis of placements. To receive the full 25% the subcontractor must meet the placement quota contained in the contract. Moreover, placements are defined in the contracts as permanent, full-time, unsubsidized, and training-related jobs at or above a specified wage. The MOMR staff is the sole judge of whether a job is or is not training-related, and the minimum wage level is set by the labor market information staff in conjunction with the LMACs.

The Penobscot Consortium employs a similar approach, although with an in-house system, it is less formalized. The senior staff and those involved in placement activity have as their working definition of a placement a permanent, full-time, unsubsidized, training-related job, at or above a specified wage level that is set by the staff.

It should be clear that establishing incentives for quality placements requires some sort of verification capability, and if retention is to be a factor in evaluating the quality of placements, a solid follow-up system is needed. The integrity of the verification process would seemingly be best protected if those responsible for verification were independent of the organization responsible for placement. In Baltimore all reported placements are independently verified by the MIS unit of the MOMR within 7 days after the placement has been reported. The verification process simply involves a check to see that the former participant is working at the wage level reported, and to secure a statement from the employer that the job is indeed permanent. There is also a regular follow-up on all terminees 30 days after they have left the program, and a 6 month follow-up for selected samples of terminees.

San Francisco also has a sound verification and follow-up capacity. The JSO acts as a verification unit for all reported placements and other terminees. The follow-up unit contacts all those who were placed, at regular intervals up to at least 1 year, in order to obtain data on such factors as wage gain, job retention, and participant satisfaction. The Penobscot Consortium also has a regular follow-up system that collects even more extensive information on all those placed out of certain special programs, and a sample of all others, at regular intervals for at least three years. Their long-term follow-up for a selected sample of participants will extend for 5 years after the time of termination.

V. CONCLUSIONS

Our most general finding is that careful planning by prime sponsorship staff does, indeed, have the potential for helping improve program performance. At the same time it is quite clear that planning is only one of a number of general aspects of prime sponsorship management that needs to be handled adroitly in order to enhance the chances of succeeding with programmatic goals. The importance of these general findings is underscored by the fact that the management variables (including planning) that can be handled in ways to improve CETA performance are, for the most part, quite manipulable by prime sponsorship staff. Elements of the local programmatic context--such as economic conditions and demographic characteristics of participants--are not highly constraining on the kind of performance that can emerge. This means that even under economic conditions that conventional wisdom holds to be adverse to good CETA performance such high quality performance can, in fact, emerge. It also means that prime sponsorships can target their resources on the most disadvantaged part of the eligible population as measured by gross demographic characteristics without diminishing their potential for good program performance.

This concluding section is kept short both to highlight what we think is most important in what we have found and also because detailed findings are reported in ample detail throughout the body of the report. The first section highlights some of the principal empirical findings. The second section makes some broader observations.

A. MAJOR FINDINGS

The Effects of Context on Planning Systems

General contextual factors are not determinative of what kind of planning systems emerge in individual prime sponsorships. Prime sponsorships can design the kind of planning system they choose for programmatic reasons and are not forced into a specific planning mode by external factors.

The general management context in a prime sponsorship is, however, related to the kind of planning system that seems most likely to emerge. This is probably because certain styles of planning fit best with certain styles of management. In a sense, management decisions "cause" the kind of planning system; but in another sense planning emerges along with other features of management and the whole package tends to fall into predictable patterns. Thus, "association" is probably a better way of describing the relationship between management context and planning systems than "causality."

In prime sponsorships we identified as having future-oriented planning systems the associated management variables included a pattern of staff-dominated decision-making, a stable and high quality staff, stronger than average support for staff from political officials, thorough monitoring, and the active involvement of the private business sector.

In prime sponsorships with operations management planning systems there was more likely to be less staff domination of decision-making (usually involving significant sharing of influence with service deliverers), more turnover in key staff, low involvement of business, and less well-developed monitoring systems.

Explaining Program Performance

Management characteristics and planning both have stronger influence on performance than any contextual variables. This is a very encouraging finding in that this means that prime sponsorships--particularly the staff--have the latitude to focus on management decisions and planning, over which they have considerable control, in order to improve performance. Conventional wisdom that suggests that economic conditions and demographic characteristics of participants determine or at least highly constrain performance simply finds no empirical support in our work.

The factors we found to be most strongly associated with better performance were the quality of staff, the nature and extent of business involvement, and the quality of monitoring. Prime sponsorships not satisfied with their program performance would be well-advised to consider their activities in relation to these three areas first. The body of the report contains some specific suggestions of steps that might be taken in each of the areas to improve conditions that would, in turn, have a salutary effect on performance.

Exemplary Approaches to Critical Elements of Planning and Management

Given that a variety of management and planning factors were found to affect program performance we thought it worthwhile to spell out in some detail specific instances of approaches to some key elements we had observed to be working well. It needs to be underscored that we do not find a single "good" way to approach any of these elements. Rather we found a number of seemingly productive approaches. And, with adaptations appropriate to specific local necessities and conditions, we think some of these approaches deserve publicity because they may well merit emulation in spirit if not in every detail. Diffusion of productive approaches within the CETA system seems both possible and eminently desirable to us.

We provided what we considered to be good examples of productive approaches to seven elements of planning and management:

1. Manpower planning councils.
2. Monitoring and evaluation.
3. Universe of need and target group identification.
4. Intake and assessment strategies.
5. Labor market analysis.
6. System design (service deliverer selection, service delivery systems, and performance contracting).
7. Participant placement strategies.

Our "findings" in this area cannot be readily summarized except to say that we found multiple examples of productive activity in each area. The text of Section IV contains considerable detail.

B. OBSERVATIONS AND IMPLICATIONS

Is There One "Best" Model of Planning?

We have identified three models of planning in this report: Future-Oriented, Operations Management, and Crisis Management. By implication there is a fourth model: No Consistent Planning. We think there are high programmatic costs for a prime sponsorship that adopts the No Consistent Planning Model. We also see high costs to deliberate pursuit of a Crisis Management Model or, more to the point, continued toleration of conditions that lead to the necessity of adopting a Crisis Management Model. But we do not argue that Future-Oriented planning is necessarily superior to Operations Management planning in all cases at all times.

Clearly, the Crisis Management model characterizes a system that all prime sponsorships should try to avoid. Unstable influence patterns, unmanaged conflict, and inoperative feedback processes are all marks of a system in chaos that can have little hope of fulfilling the substantive goals of a CETA program. However, while prime sponsors would certainly rather be in an Operations Management or a Future Oriented system, it is not the case that the Future Oriented model is preferable to the Operations Management model in all cases, contexts, and times. For example, at a certain point in a prime sponsor's development, it may be that most long range goals have been sufficiently dealt with so that the continued extension of organizational resources into an ongoing Future Oriented part of the staff may be inefficient. The prime sponsorship may make the best use of resources by focusing just on ongoing programs within annual plans. At some later point it may be efficient and important to add the features of Future Orientation to the existing accomplishments of the Management Operations model, hold the Future Orientation in place long enough to inject additional planned change into the system and institutionalize it, and then revert to the Operations Management of the now institutionalized gains. Thus, we believe the two models accomplish somewhat different purposes, and a prime sponsorship staff can consciously shift between the two models of planning according to local needs and priorities.

There are not only one or two "good" sets of planning activities (and related influence structures) that should be adopted in all prime sponsorships in all contexts. Some types of planning activities and some types of influence structures will be effective in some contexts while not in others.

For example, a very sophisticated, highly quantitative monitoring system may be essential for good planning and decision-making in a large prime sponsorship with numerous service deliverers. Yet, in a much smaller prime sponsorship, one with only one or two service deliverers, a monitoring system based largely on qualitative information, on a less rigorous basis may work quite well and resources may, in fact, be wasted on a more sophisticated system. However, if no monitoring system exists and there is no feedback to decision-makers on how well programs are operating, then a judgment can be made that the planning system is not functioning effectively. And to the extent that planning is important for good decision-making, then the decision-making process could also be judged to be poor.

What Gets Planned?

We found that four major areas are the focus of planning efforts: (1) target groups in the population, (2) target occupations, (3) program mix, and (4) service deliverer identity and responsibilities.

Most of our sites were quite self-conscious about planning for selection of their target groups. Where there was an active public process it was invariably used on this question. Different methodologies were used for identifying target groups. The wisest strategy seems to be to keep the definitions of target groups broad rather than using elaborate matrices that result in very small discrete categories. Broadly inclusive categories seem easier to work with both operationally and politically.

There was considerable attention to occupational planning in about half of our sites. These prime sponsorships did a thorough and impressive job of working with all kinds of data on target occupations. Spending lots of time and resources in this area seems to make particularly good sense if the system is flexible on a short-run basis, so that it can respond to short-run occupational opportunities that are identified. If the structure of the system and/or political reality prevents much short-run change, then less attention to target occupations may well be warranted because it might turn out to be primarily an academic enterprise.

Where there are subcontractors, program mix and the choice of service deliverers are usually planned or addressed together, with each being a function of the other in a chicken-and-egg relationship. Where much or all of the delivery is in-house or where a good deal of individual referral is done or where subcontractors are closely managed, then there was a greater tendency to think of program mix questions prior to worrying about the details of service deliverer identification. But, particularly where there are strong community-based organizations with important local political support, the identification of service deliverers--and, to some extent, what they deliver--is almost a given.

It is also worth noting that all planning systems we have observed focus virtually exclusively on CETA matters. Even in the future-oriented sites we did not observe systematic integration of CETA planning with community development planning. In short, CETA planning focuses only on planning activities with relation to the supply side of the labor market; planning linked to non-CETA programs with concrete actions on the demand side of the labor market is still largely virgin territory.

What Promotes and Impedes Effective Planning?

Five major conditions promote effective planning if present and impede effective planning if absent.

First, goals are essential. These need to be self-consciously addressed and articulated. And this process needs to be repeated; it cannot be assumed that goals will be internalized if announced only once. Lack of clearly articulated goals or the presence of goals that are almost all implicit can create problems in both planning and, ultimately, in performance.

Second, some form of public planning process or allowance for major input from actors outside the staff is very useful in promoting planning decisions that are responsive to conditions in the "real world" and also in promoting decisions that are widely accepted as legitimate by the major actors in the system. Most of our sites have chosen to make their advisory council the centerpiece in a public planning process.

Third, both good monitoring and well-developed Management Information Systems (MIS) are essential for linking planning to operations and using both in concert to improve performance. Evaluation is more rare, but where it exists it is a useful addition to the basic monitoring and MIS activities.

Fourth, and perhaps most important in terms of being a prelude condition for many of the others, prime sponsorships need to be very self-conscious in developing a solid staff—ample in number, well-trained, willing to stay with the job at hand for a period of some years, and committed both to making the program succeed in general and to some concrete programmatic goals.

Fifth, the CETA staff needs to have a productive relationship with its subcontractors. Where those subcontractors are strong performers with a strong independent political base this relationship may well have to be based on negotiation and compromise aimed at creating a "family feeling" about the whole system.

The continuing categorical expansion of CETA has put up some roadblocks to planning, especially in terms of integrating different CETA programs into a comprehensive whole. However, a high level of determination to achieve integration can still have a high degree of payoff.

How Important is Planning to Performance?

We have found some aspects of planning to be related systematically to some aspects of performance. These concrete findings should not be overblown into a claim that planning is the key to good performance. There are many other elements of management that are also critical in developing the capacity for good performance in a local CETA system. Planning is not a panacea; it is important. Fortunately, there are concrete ways to strengthen planning--it is not just a matter of engendering positive attitudes toward it on the part of a staff. The central point of Section IV of the report was to specify some of the concrete options available to prime sponsorships in a number of both planning and broader management activities.

In the broadest sense, the fact that manipulable aspects of planning and management have been found both in this study and in our earlier work (Ripley and associates, 1978) to be related to the quality of performance is highly encouraging. There is nothing magic about decentralized employment and training programs that makes them work better than other kinds of programs. But there is solid empirical evidence that local prime sponsorships can make specific choices that will have desired programmatic effects. They are not caught in a mechanistic situation in which their efforts are automatically overridden by fluctuations in matters over which they have no control, such as the general economy.

128

REFERENCES AND SELECTED BIBLIOGRAPHY

This section contains all materials cited in the text and a few additional items thought to be particularly useful for individuals who want to pursue some of the topics treated in this report further.

In addition, the Department of Labor has published and will continue to publish a number of materials that are relevant. For example, a series of CETA Program Models papers are being published by the Employment and Training Administration through the U.S. Government Printing Office on different components of CETA programs such as intake and assessment, on-the-job training, classroom training, work experience, and public service employment. Another example is the mimeographed document prepared by MDC, Inc. in 1977 for the Office of Program Evaluation in ETA entitled "How to Get Started on Evaluation: A Field Report and Guide to CETA Prime Sponsors." Yet another example is a report prepared for the Mayor's Office of Manpower in Chicago in 1976 and distributed by ETA: "Planning and Evaluation under CETA: A Guide for Large Prime Sponsors." For various current DOL materials available inquiries should be directed to three units within ETA at 601 D Street, N.W., Washington, D.C. 20213: 1) Office of Community Employment Programs, 2) Office of Program Evaluation, and 3) Office of Research and Development.

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APPENDIX: BRIEF DESCRIPTIONS OF THE STUDY SITES

Note that these descriptions apply to the time of our field visits--either spring or summer, 1978 (see Table 2 in the text). The sites are in alphabetical order.

ALBUQUERQUE-BERNALILLO COUNTY CONSORTIUM, NEW MEXICO

The Albuquerque prime sponsorship is a consortium involving the City and the County in which it is located. The City, which contains over 70% of the population in the County, has been given the responsibility of administering the CETA Program.

Since 1976 Albuquerque's unemployment has been higher than the national average. The City has been paralleling the national employment picture recently by experiencing a significant drop in its unemployment rate since it peaked during the second and third quarters of FY 1977.

Albuquerque is an area of growing population with a large number (30% according to the 1970 census) of Spanish surnamed citizens. The census indicates that black population is suspected of having increased its proportion since then. More recent data indicate that Spanish surnamed individuals comprise 44% of those unemployed, while blacks and American Indians are 4% each. Ethnic groups have not been designated as significant segments but are served in accordance to their proportion of the economically disadvantaged universe of need. The significant segments that have been identified are: elderly (45 and over), handicapped, offenders, and youth.

Staff has been dominant in determining the basic features of the Albuquerque Title I program. In large part, this may be attributed to the fact that the staff is composed of an unusually large proportion of individuals who are clearly manpower professionals and whose experience pre-dates CETA. In part, staff dominance can also be explained by the lack of any effective opposition to them from either elected officials, the Planning Board, or service deliverers.

There have been only slight changes in the Title I program (participants, program mix, and service deliverers) over the past few years. This situation clearly reflects the staff goal of stabilizing the program and building up the capability of existing deliverers. It also reflects the fact that, according to the standard indicators, Albuquerque has been running a very successful program and so there has been little incentive to institute major changes. Operating a good program, one that performs well given such standard indicators as placement rate, was identified as the most important goal held by the Albuquerque CETA program.

The typical Title I planning that takes place in Albuquerque consists of incremental adjustments made in response to operating problems that have been identified. Albuquerque was engaged in some long term planning in the past, but none can be said to be taking place now, although re-establishing this capability is clearly a goal of the new CETA Director as is revitalizing what has been a staff dominated Planning Board and thereby opening up the planning process to greater public input.

As indicated, Albuquerque has done well on the standard program performance measures such as planning rate, non-positive termination rate, and cost per placement. The recent redefinition of an indirect placement has caused performance on the indirect placement rate and cost per placement indicators to drop during the second quarter of FY 1978 but the prime sponsor has taken corrective action and hopes to finish the year meeting its goals in these areas. High goal achievement has been achieved without sacrificing service to those participants determined to be most in need.

ATLANTA, GEORGIA

The City of Atlanta prime sponsorship exists in a region dominated by the wholesale and retain trades where 60% of those employed hold white collar jobs. Atlanta has suffered a higher unemployment rate than its neighboring suburbs and counties. The unemployment rate for Atlanta has also been higher than the national average.

Atlanta has been losing its white, middle class population to the suburbs. (Jobs, too, have been moving in this direction.) In 1960, for example, blacks were 39% of the City's population. By 1975 it is estimated that this figure was 60%. As might be expected, Atlanta's blacks have a much higher unemployment rate than the white population and comprise 81% of those unemployed.

The most outstanding feature of the Atlanta prime sponsorship is the openness of its decision-making process to the input of a wide range of individuals and organizations. Decisions are typically made on the basis of what is perceived to be the best available information. Influence is shared among the staff, the advisory council, service deliverers, and the Mayor, although usually the staff position is dominant.

The CETA office staff itself is generally competent and well motivated. However, there have been important problems with Title I MIS and with the Fiscal Unit, and the Evaluation and Planning Units have been understaffed. Improvements are being made or are planned for all of these areas.

Only slight variation has occurred since FY 1975 in the allocation of resources and participants among program components. The most noticeable exception appears to be decline in the proportion of clients enrolled in classroom training and an increase in work experience. Most major contractors (chosen annually via a Request for Quotations process) were picked up from the pre-CETA days and have continued to be refunded. More change has occurred among the smaller deliverers.

Long-term planning cannot be said to exist in Atlanta. The planning that does take place is short-term and is focused on the Title I grant application process and the selection of service deliverers. Service deliverer selection, which actively involves the advisory council and staff, usually also determines target groups, target occupations, and program mix, although the advisory council does independently look into these areas. Incremental rather than radical change has been the result of the planning process used in Atlanta. Often, this change has been stimulated by reaction to poor program performance, especially lack of placement, by the service deliverers. The monitoring and evaluation efforts (especially the former) of the CETA Office have been instrumental in identifying many of the problems that have led to change.

Atlanta's placement rate has typically been above the national average, just as its cost per placement has been lower. Non-positive terminations, on the other hand, have been above the national average. Atlanta's planned versus actual figures have been generally about the same with the exception of the non-positive termination rate and expenditures, which have lagged behind estimates to the point where a $1.25 to $1.5 million underspending problem developed.

Locally established goals have been pursued successfully with the goals of infusing more innovation into the system and developing a more integrated manpower delivery system being the exceptions.

Atlanta has tended to serve its chosen target groups, but the choice of groups itself has tended to reflect previous, successful service patterns. The typical client served in Atlanta is black, unemployed, and economically disadvantaged.

BALTIMORE METROPOLITAN MANPOWER CONSORTIUM, MARYLAND

The Baltimore Metropolitan Manpower Consortium (BMMC) consists of the city of Baltimore and Anne Arundel, Baltimore, Carroll, Harford, and Howard counties. The consortium coincides with the Baltimore SMSA, which includes a population of nearly 2.2 million. Almost 70% of the population in the consortium resides in the city of Baltimore and Baltimore County. Twenty-six percent of the population in the consortium is non-white, but 53% of Baltimore city's population is non-white. A majority (60%) of the consortium's poor is located in the city of Baltimore. The overall rate of unemployment in the consortium has remained fairly close to the national average, but the rate of unemployment for non-white youth has been quite high (averaging over 17%).

The BMMC has benefited greatly from having the principal features of its delivery system in place before CETA was enacted. The program is administered by the Mayor's Office of Manpower Resources (MOMR), and many members of the senior staff of the MOMR worked together under CAMPS to design a comprehensive delivery system for the consortium. Experience and stability in the senior staff has been very important in the development of predictable and stable relationships among manpower actors, and in the recruitment of other sophistocated manpower professionals into the MOMR staff. The combination of an experienced staff and a stable delivery system has a lot to do with the success enjoyed by the BMMC under CETA.

With an effective delivery system in place, planning in the BMMC has taken on an operational orientation. While all four types of employment and training programs (WE, CT, OJT and PSE) are operated under Title I, the bulk of the planning activity focuses on the training programs. Planning for skill training programs is greatly aided by a network of labor market advisory councils (LMACs) that have been established to supplement the information generated by the staff on prime sponsor training needs and performance. The skill training programs are subcontracted to a variety of public and private training organizations, while all other programs are operated in-house.

Most CETA services are made available to clients through a series of manpower service centers strategically located to serve the entire consortium area. Job development activity is shared by a central marketing unit, job developers located in the service centers, and job developers assigned to the training subcontractors. All placements are verified by the MIS unit of the MOMR. The MOMR uses a system of performance contracting to guarantee that all subcontractors are meeting the performance goals established each year through negotiations between the staff and the subcontractors. Quality performance is further insured by an extensive monitoring and evaluation effort, which is backed up by a solid MIS. The evaluation unit is also continuously studying various aspects of program operation and performance by conducting both short term studies of program outcomes, and long term follow-up evaluations of CETA programs.

The standard program performance indicators demonstrate that the BMMC is operating a strong program. Placement rates have been consistently above the national average, and non-positive termination rates and costs per placement have steadily declined. This has been accomplished without moving away from serving disadvantaged, which has always been a primary goal of the BMMC. The staff believes that this record of performance is linked to their continuous efforts to improve program operations through systematic planning.

BERGEN COUNTY, NEW JERSEY

The Bergen County, New Jersey, prime sponsorship has a population of around 900,000 people. Most of them (97%) are white and relatively wealthy; the county is among the wealthiest in the nation. But there are obvious pockets of poverty spread through this large county separated from New York City by the Hudson river. The county's unemployment rate has often been higher than the national average over the last three years.

The single most important feature of the prime sponsor's organization is that the entire CETA program is operated by the Bergen County Community Action Program (BCCAP) under a contract with the County's Board of Freeholders--an arrangement made at the beginning of CETA. The BCCAP staff operates most CETA programs in-house through three multi-service centers where clients receive intake, assessment, counseling, work experience, job placement, and job development services. Only classroom training for skills or educational improvement is subcontracted. The system of in-house operation, a central goal of the prime sponsor staff since the beginning of CETA, has been largely accomplished.

Primary emphasis in the Title I program is on training programs in the classroom or through OJT. Limited resources are devoted to work experience programs. Over time the preference for classroom training and the aversion for work experience has become manifest in larger commitments of program funds to the former and less for the latter.

Bergen County's staff has an operationally-oriented view of planning. The planning unit places its emphasis on continuous, cooperative work with the operations staff to improve program performance. Its principle strengths are in the areas of system wide development and program component monitoring.

The MIS has been weak because of continuing problems with a faulty computerized system. The poor MIS has prohibited the staff from conducting program-outcome evaluations, but client satisfaction questionnaires, on-site reviews, and other forms of monitoring are regularly conducted by the staff and the advisory council and are utilized in program decisions.

The standard program performance indicators demonstrate that Bergen is operating a steadily improving program, the results of which are typically better than the national average. Across the three years of complete operation, the placement rate has increased 18%, the non-positive termination rate has improved by 16%, and the cost per placement rate has improved 36%. In general it would seem that this has been accomplished without creaming for the best applicants. The staff feels that these improvements are linked to their continuous efforts to improve program quality and operations through systematic planning.

DENVER, COLORADO

The Denver prime sponsorship encompasses only the city and county of Denver (they are co-terminous). It has about one-third of the population of a larger labor market and a diversified economy that is not reliant on heavy industry and manufacturing. Denver's unemployment rate, although higher than surrounding suburban counties, is lower than the national average.

The population is composed primarily of Anglos, with two large minorities—Chicanos (17%) and blacks (9%). CETA significant segments include Chicanos, blacks, economically disadvantaged, women, heads of household, and veterans.

The Denver Manpower Administration (DMA) staff is large and has grown very rapidly since mid-1976. The staff has been wracked by turnover, especially at top levels, and by long-term vacancies. The planning staff has grown from one consultant in July, 1977, to seven professionals in April, 1978. Except for the chief planner, the staff is relatively inexperienced. The MIS unit in DMA has been particularly plagued with problems that have prevented the unit from functioning.

There has been little substantive change in Title I manpower programs in Denver since pre-CETA days, although there have been some procedural changes, most notably the introduction of an RFP for the selection of service deliverers for the FY 77 program year. Program mix has been relatively stable over time and emphasizes counseling and assessment services for clients and, to a lesser extent, classroom training (including adult basic education). There has been little OJT or work experience. The identity of the major service deliverers has remained constant, although a few new ones have been added since the introduction of the RFP.

The amount and quality of planning for FY 78 were severely limited by operational problems that demanded the time and attention of the planners. Planning activities that have been relatively strong are 1) the analysis of the universe of need and target group selection and 2) the analysis of occupational opportunities. Planning has been especially weak in relation to decisions about program mix, which has emerged simply as a function of the deliverers selection. Planning has also been severely hampered because very little monitoring has taken place for over a year. Because of the lack of monitoring, MIS, and time no evaluations of programs have been done. The involvement of the advisory council in planning has been very limited and was under close control of the DMA Administrator until FY 78. At present the planning staff is trying to support the development of an active and influential council.

Denver's program performance has been strong in the area of reaching target groups, which contain those individuals most in need. However, there are a number of weak areas in Denver's performance: placement has slipped recently, even though most placements are direct; the non-positive termination rate has remained fairly high; and very few participants are being served with vocationally-related training in a system that is currently spending over $3.5 million annually in Title I. Local goals—other than organizational survival—are not stated clearly and widely understood and shared. Assessment of the quality of program performance is impossible until the MIS system is functioning reliably.

GULF COAST MANPOWER CONSORTIUM, TEXAS

The Gulf Coast Manpower Consortium (GCMC) is comprised of eleven counties: Austin, Brazoria (the eligible prime), Chambers, Colorado, Fort Bend, Liberty, Matagorda, Montgomery, Walker, Waller and Wharton. All of the counties are members of the Houston-Galveston Area Council (H-GAC), which serves as the administrative arm of the consortium. The consortium was formed in FY 76; prior to that time the counties were with the Balance of State operation.

The area's economy, greatly influenced by the vigorous growth in Houston, is robust. The unemployment rate in the consortium has been under the national average by a substantial margin. The forecast is for continued growth. Manufacturing and construction are scheduled to experience substantial expansion.

The GCMC has two large minority groups, Blacks and Chicanos. They comprise 17% and 11% of the population, respectively. CETA significant segments include disadvantaged youth, older workers, veterans, handicapped, minorities, female heads of households, and working poor.

There has been very little change in the Title I manpower program since CETA's inception. Work experience, especially directed toward youth, classroom training, and a small OJT program comprise the Title I program. While the substance of the program has not undergone much change, the mode of service delivery has changed. In the consortium's first year of operation, each service deliverer performed its own intake, assessment, job development and placement operations. Those activities were subsequently given to the Texas Employment Commission (TEC). CETA funds a number of Manpower Service Centers throughout the consortium, staffed by TEC personnel, to perform these functions.

A Request for Proposal is used for Title I. The GCMC is devoid of many potential deliverers of CETA services due to its rural orientation. As a result, the same deliverers have been a part of the manpower delivery system since the beginning. Only one deliverer, SER, has gained entrance into the system since that time.

The planning for Title I is reliable in nature. The shortage of reliable data for some counties in the consortium precludes a planning system based on highly quantifiable inputs. The staff supplements the data that are available with a thorough knowledge of the service area. Field representatives visit service deliverers frequently; this type of informal monitoring compensates for the fact that only one program monitor is employed by the GCMC. Planning has been traditionally a staff function with only limited input from the Manpower Advisory Committee. There are signs that the Committee is becoming more active.

GCMC's program performance has been quite good. Placement rates have surpassed the national average. The non-positive placement rate is very low as a result of aggressive efforts on the part of counselors to keep track of participants who have dropped out of courses. Often these individuals find employment on their own and are not counted as non-positive terminations. The prime sponsorship has a commitment to serve the disadvantaged; 75% of Title I participants are mandated to be economically disadvantaged.

HEARTLAND MANPOWER CONSORTIUM, FLORIDA

The Heartland Manpower Consortium (HMC) is composed of five contiguous counties located in the west central portion of the state of Florida: Polk, Highlands, Hardee, DeSoto, and Okeechobee. The population of HMC is approximately 400,000, of which 74% reside in Polk County. Highlands ranks second with 11% of the population and the other three counties each comprise 5%. HMC's quarterly unemployment rate is consistently higher than the national average. Significant seasonal unemployment is the most distinctive feature of the economy; the predominance of the citrus industry is responsible for the fluctuations. Citrus production and phosphate mining constitute the major industries in the area.

The racial mix of HMC is 83% white, 17% non-white. Blacks are the major non-white group in the area, with Spanish-Americans and American Indians comprising a small percentage of the total population. Age is a significant factor in the composition of HMC's population. Persons 65 and over constitute 16% of the area's residents, reflecting the tendency for retired persons to settle in warm southern climates. Older workers are a significant segment identified by the prime sponsor. Youth, minorities, veterans, and migrants are also considered to be in need of CETA services.

HMC's Title I program has not experienced much substantive change since the program's beginning. The three major service deliverers remain in place; they have been included in the delivery system since the program's inception. Some service deliverers have been defunded, primarily those involved in pilot projects. Significant changes in the program are forecast if the staff acts on its stated intention of reducing its reliance on sub-contractors and operating the program in-house.

Work experience has been the dominant Title I activity. An In-School program and a very popular Seniors-At-Work program comprise the bulk of work experience activities. Classroom training, now receiving 40% of Title I funds, is often used in conjunction with work experience. Participants are enrolled in work experience after completing classroom training to enhance their chances of obtaining unsubsidized employment.

The public planning process is as important as technical planning in the Heartland Manpower Consortium. The imaginative use of the Manpower Planning Advisory Council and its subcommittees is the heart of the public planning process. A flexible subcommittee structure enables the staff to obtain a wide variety of input from individuals with expertise in a manpower relevant field. The subcommittees are as follow: Needs Assessment of Clients, Youth Council, Proposal Review and Evaluation, Vocational Training, and Public Service Employment. The MPAC, whose chairman is an important elected official, works closely with the staff in all planning stages.

The prime sponsor's performance has been improving. The placement rate has steadily increased. The non-positive termination rate has fluctuated widely but has been showing some improvement. The prime sponsor's cost per placement compares quite favorably with the national average. Service to the economically disadvantaged has been on the increase. Females have been steadily increasing as a percentage of Title I participants, while Title I service to non-whites has been decreasing.

KING-SNOHOMISH MANPOWER CONSORTIUM, WASHINGTON

The KSMC prime sponsorship encompasses a two-county area. Seven cities in addition to the two counties are members of the consortium. The consortium is also a single SMSA and can be considered as a single labor market, although there are many smaller labor markets within the area. The labor force is highly educated, highly skilled, and highly unionized. The economy is diversified. Unemployment, which had been well above the national average, has dropped rapidly and the economic outlook for the area for the immediate future is relatively bright.

The population of about 1.4 million people is primarily white. In the labor force 3.4% are black, 2.8% are Asian, and 2.0% are Spanish American. The minorities receive a high degree of service from CETA. Current significant segments are limited to three broad categories: minorities, females, and youth.

The KSMC staff has about doubled in size to 70 in the last two years. In general, it is an able, experienced, and well-educated staff. Turnover in the last year has been relatively high. This turnover has included three division directors as well as the overall Director. The new Director took office in late 1977, replacing the former Director who had left in September, 1977. The Planning and Analysis unit has 12 positions and works very closely with the Program Design and Administration unit, which focuses on operations and has 14 positions.

The Title I manpower delivery system has been relatively stable throughout the CETA period. The major deliverers have remained the same although some marginal and small deliverers have been replaced. An RFP process is rarely used. Given at least moderate performance it is assumed that funded deliverers will be refunded. Over time the classroom training component of the program in terms of both dollars and participants has increased and the work experience component has shrunk.

The staff thinks of planning in two senses: short-run, operationally oriented planning (that also involves grant writing and maintenance) and long-run, strategic planning. Most effort has been expended on the former enterprise and the latter enterprise has been given relatively little attention, in part because of the necessities of dealing with a manpower system that is rapidly being recategorized from Washington and in part because of lack of data sophisticated enough to meet the planning staff's high standards. The presence of a relatively new Director, whose own values and preferences are not yet clear to staff or other actors, also inhibits long-range planning.

Both planning in the short-run sense and the use of a widely accepted public planning process are well developed in KSMC. The process involves a number of actors: service deliverers, subcommittees of the advisory councils, two advisory councils (one for each county), the staff, a subexecutive committee, and the Executive Board (elected officials) of the consortion. This process serves to diffuse information about CETA, get some feedback from the various segments of the community, and make virtually all decisions widely accepted as legitimate. There are some uncertainties in its use for FY 79 because there are a number of new persons in critical positions. Formal planning for FY 79 has been postponed because of the unknown funding level for FY 79 and new provisions likely to be included in CETA reauthorization that cannot be fully predicted.

The planning by staff has been particularly strong in terms of identifying target groups. The capability of the staff to affect performance is enhanced by the existence of a strong monitoring effort and the close relations between the planning and operations staff. Goals are mostly implicit and the new Director has not yet altered or added to those goals publicly, although he favors expanding CETA--non-CETA linkages, especially with economic development. The choice of service deliverers helps determine service mix, although the general commitment to classroom training and OJT helps determine the choice of deliverers. There is relatively little systematic attention given to identifying job opportunities by the KSMC staff--job development and placement is given to individual deliverers.

Program performance has been improving and has been quite strong in the last several years. Long-standing local goals (although in part implicit) are being achieved. These include maintaining the consortium, maintaining the core of the existing delivery system, and focusing on placement of the most disadvantaged. Minorities, females, and the disadvantaged receive heavy attention in the services that are delivered. Placement has been increasing, although it is still not dramatically high. A previously high non-positive termination rate has been reduced substantially and is now well below the national average.

OMAHA--COMBINATION OF GOVERNMENTS CONSORTIUM, NEBRASKA

The city of Omaha--Combination of Governments consortium is comprised of the city of Omaha, the balance of Douglas county, the city of Bellevue and the remainder of Sarpy county. Population in the consortium is estimated to be 585,000. The city of Omaha, the largest metropolitan center in Nebraska, and the remainder of Douglas county constitute over 90 percent of the consortium's population. The two-county area of Douglas and Sarpy county has a racial composition of 90.5 percent White, 8.1 percent Black and 1.4 percent other minorities.

The Omaha economy is an economy in transition. The emphasis is shifting away from exclusive reliance on manufacturing to include service-oriented industries. While the transition has prompted significant upheavals, the consortium's unemployment rate did not exceed the national average. Moreover, the Omaha economy staged a quicker comeback from the recession than many prime sponsorships.

Omaha has long been the host to manpower programs. A CEP was in operation prior to CETA's inception. Omaha was one of the three original prime sponsorships selected for pilot projects in the Comprehensive Manpower Program (CMP), the forerunner of CETA. The existence of these manpower training programs has aided the prime sponsorship in a number of ways. They created a reservoir of experienced manpower specialists, many of whom are still involved in CETA. The headstart provided by the CMP status enabled the prime sponsorship to wage a number of consolidation battles early in the life of the program. While inexperienced staff in other prime sponsorships were in the initial trial and error design phase, the Omaha staff knew the capabilities and limitations of its manpower delivery system.

The consortium's Title I program has experienced substantial change since the program's beginning. In general, changes have been in the direction of centralizing services previously sub-contracted to other deliverers. Intake has been centralized; the prime sponsorship does much of its own assessment, orientation, education, job development and placement activities. Those functions, primarily training, performed by service deliverers are closely monitored. Contracts written with service deliverers contain performance standards and are of a cost-reimbursable nature.

A highly quantifiable planning system exists in the consortium alongside a more intuitive model. As the latter is used at the highest level of the organization, it gives shape and content to planning steps performed by the Planning unit. The philosophy of the strong Director and the rigorous approach of the Planning unit mesh to ensure that both political and more technical manpower planning are represented in the consortium. To date, the Manpower Planning Council has not been an important partner in planning but there are indications that the involvement of the Council is increasing.

The prime sponsor's placement rate has shown steady improvement. It compares favorably with the national average. Due to the open intake policy, the non-positive termination rate has been higher than the staff would like but it has shown improvement in recent quarters. The prime sponsor's cost per placement generally has been below the national average.

PENOBSCOT CONSORTIUM, MAINE

The Penobscot Consortium includes Penobscot and Hancock counties in the state of Maine, and operates under the authority of an Executive Board composed of the six county commissioners from these two counties. The population of the consortium is just under 180,000, and most of the population is spread out among several small towns in the two county area. The major population center in the consortium is the city of Bangor, which has a population of 33,000. The population is predominately white (99%), and 15% of the people in the area are living below the poverty level. The consortium's unemployment rate has generally remained close to the national average, but shows seasonal fluctuation reaching levels significantly above the national average during the winter months. Paper manufacturing is the major industry in the area, but most of the private sector employment opportunities for CETA clients are in relatively small manufacturing enterprises.

CETA programs in Penobscot County are administered by the Penobscot Consortium Training and Employment Administration (PCTEA). The prime sponsorship was established in FY 1976 after a year of CETA experience under the administration of the state. During the first year of PCTEA control a comprehensive delivery system was developed, which involved the termination of subcontracts with most of the existing program operators, and the redirection of the thrust of employment and training programs away from work experience and toward classroom training and OJT. This was accomplished through the efforts of an imaginative and energetic staff with the solid support of the county commissioners.

The comprehensive delivery system that was established in the Penobscot Consortium centers around three Offices of Training and Employment Programs (OTEPs), which were located in a manner that insured service to the entire consortium. These offices can make available to CETA clients the complete range of employment and training services because programs from all the principal CETA titles are integrated in a unified service delivery effort. The OTEP offices are coordinated by the PCTEA central staff, which is also responsible for planning, monitoring, and evaluating all CETA programs in the consortium. All the programs are run in-house with the exception of OJT development in unionised occupations, which is subcontracted to the AFL-CIO. The in-house system facilitates frequent and constructive communication exchanges among all staff units.

Initially, planning focused on overhauling the existing system. Once the comprehensive delivery system under PCTEA control was in place, planning became increasingly oriented toward operational matters. A great deal of effort has been directed at refining and expanding on a basic design that is considered to be sound. This refining effort is aided by extensive formal and informal monitoring and supported by a high quality MIS. With the development of an impressive evaluation capacity, planning now includes a strategic component. Evaluation studies are being undertaken that will test basic assumptions about the effectiveness of different employment and training strategies.

The PCTEA is committed to serving the disadvantaged in CETA programs, and their record of participant service indicates that this goal has been achieved. They also believe that disadvantaged clients often require more than one programmatic service on their road to job readiness, and the delivery system has been designed to meet this need. This approach has led to relatively high costs per placement, and lower placement rates (calculated on the basis of total enrollment) than might be expected. Nevertheless, the PCTEA has generally achieved placement rates that are higher than the national average, which in combination with their low rates of non-positive termination suggests that the program is achieving its basic goals.

SAN FRANCISCO, CALIFORNIA

The San Francisco prime sponsorship encompasses the city and county of San Francisco, a consolidated, general purpose political unit. Geographically small, the city is a densely populated urban area with an unemployment rate that is consistently higher than the national average.

One of five counties in the San Francisco-Oakland Bay Area SMSC, San Francisco has a white collar job base with relatively few industrial and manufacturing jobs, reflecting the predominance of commerce, insurance, finance, and government business in the city. Most job openings and replacement needs for which CETA participants can compete are in the secretarial and clerical areas.

The polyglot population in San Francisco consists of a large number of identifiable ethnic, racial, and cultural groups. The population's diversity is reflected in the choice of significant segments to be served in CETA programs. This diversity also helps to account for the large number of subcontractors funded to deliver manpower services--there were more than 30 in FY 78 for Title I alone.

Subcontractors are chosen every year through a formal RFP. Selection decisions and funding level decisions are made by the Manpower Planning Council (MPC), in close interaction with the planning staff. All service deliverer contracts are performance-based and contain quantitative and qualitative goals. Refunding of service deliverers depends largely on past performance. Service deliverers are closely monitored by the operations staff.

The manpower delivery system in San Francisco allocates nearly 75% of the Title I expenditures to occupational training, vocational ESL, and OJT in order to make CETA participants employable and competitive in the labor market.

The public planning process entails a close working relationship between the planning staff and members of the MPC. The MPC is an active and aggressive council and has a very important role in planning decisions. The MPC determines how money will be allocated, who will be served, and which subcontractors will be funded. It also evaluates program performance each year. The information from the prime sponsor's MIS unit is an essential component of all of the planning decisions made by the MPC and the planning staff.

Program performance in San Francisco is good both in quantitative and qualitative terms. The prime sponsorship's performance has typically been better than national averages on placement rate, non-positive termination rate, and cost per placement. The continuous attention of the staff and the MPC to monitoring and evaluating the performance of the system as a whole and of all of its individual subcontractors helps to account for the good performance, which has been improving over time.

SYRACUSE, NEW YORK

Syracuse, a single-city prime sponsorship with a declining population estimated at 177,000 in 1978 (down from 197,000 in 1970), had an unemployment rate of between 10% and 11% in the first half of 1976. The rate now hovers slightly above 7%. The city's labor force is declining in size from a 1975 peak of 96,000. The majority of its members are white (86%), male (61%), and between 22 and 44 (51%). Blacks represent about 10% of the city's population and about 15% of the unemployed. Manufacturing jobs are disappearing. Blue collar jobs are projected to comprise only 19% of the openings occurring between 1974-85, while white collar jobs dominate with 65%, and service occupations provide 16%.

The CETA programs are all operated by the city's Office of Federal and State Aid Coordination (OFSAC) which has contracted intake, classroom training, and basic education to community based organizations and ES, the Skill Center, and the state university system respectively; and staffed assessment, counseling, adult and youth work experience, OJT, individual referral, job development, and placement with city staff. There is also a planning staff of about 5 people (for Title I) and fiscal and evaluation units. They are generally competent, dedicated, young, and often cited as the primary reason for the program's success. Few of them came from categorical programs.

The program is funded at about $1.6 million annually for Title I. It typically allocates slightly more than 40% of this to classroom training, but this 40% is being shifted to use in individual referral, with the Skill Center due to make the conversion complete in FY 1979. The remaining 60% is divided among OJT, work experience, and client services. OJT has been deliberately increased and is due to become 25% of the whole in FY 1979, at the expense of work experience.

Planning, which is central to the program, is dominated by an activist staff and defined in broadest terms as the construction of goals, the review of present capabilities, and the determination of appropriate courses of action. Long term goals are defined, translated into short term goals, and implemented. Monitoring, which is thorough and systematic, provides important data input. Socio-economic data is also used, but with caution. The advisory council is passive, has no important role in the selection of service deliverers, and is most influential in its committees, which review and check target groups, target occupations, service deliverer evaluations, and--to a lesser degree--program mix to catch errors or suggest improvements in staff recommendations. These, however, because of demonstrated staff competence, are usually trusted.

OFSAC views CETA as one element in a centralized grants management system that should integrate help from different funding sources in addressing local needs. Staff who plan CETA are also active in planning Revenue Sharing, Public Works, and other federal programs. Goals for Title I include getting good marks on standard efficiency measures (where the non-positive termination rate is especially favorable), providing comprehensive and adequate individualized services without creaming, and contributing to increased public sector involvement and economic development activities. Progress is being made toward all of these.

Syracuse staff members have been active in the Employment and Training Council of the Conference of Mayors. (The Mayor of Syracuse was President of the Conference.) Their activity put them in contact with progressive prime sponsors, increased their confidence, and kept them aware of issues. Decisions on the shape of Title I are made with awareness of the options and because they contribute to keeping Syracuse a "good news" program, but not just for expediecy. The program appears to be a vital and growing one that is using maturing manpower skills to depart decisively from categorical inheritances.

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Where to Get More Information

For more information on this and other programs of research and development funded by the Employment and Training Administration, contact the Employment and Training Administration, U.S. Department of Labor, Washington, D.C. 20213, or any of the Regional Administrators for Employment and Training whose addresses are listed below.

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